Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

Paris, Saturday-Sunday, May 20-21, 1995

No. 34,905

Forever in Amber: Life 'Restored' After 30 Million Years

By Malcolm W. Browne
New York Times Service

NEW YORK — A prominent molecular biologist says he has restored dormant, 30-million-year-old bacteria to life, a feat so astonishing that, if confirmed, it would force scientists to take a fresh look at long-held notions about the temporal limits of life.

A report of the achievement was published Friday in the journal Science, but even before its publication, scientific skeptics familiar with the work were labeling the claim implausible and probably the result of accidental contamination of laboratory specimens.

Nevertheless, Dr. Raul J. Cano, a professor at California Polytechnic State University at San Luis Obispo, is confident that he has revived bacteria, Lazarus-like, that date from tens of millions of years ago.

He said he had accomplished the feat by extracting bacterial spores, a form in which the microbes are in suspended animation, from the stomachs of ancient bees embedded in tropical amber and growing the bacteria in a culture in a laboratory dish. He said he had revived more than 100 types of bacteria.

Although some investigators have recovered what they believe to be fragments of the genetic material, DNA, from preserved biological tissue millions of years old, the notion that it might be possible to revivify an entire organism of such great age has been generally dismissed as science fiction.

Even a one-celled organism like a bacterium is far more complex and, presumably, more vulnerable to the ravages of time than is a chemical compound like DNA, it was believed.

A living organism is subject to starvation, extremes of temperature, chemical attack, oxidation and assaults by microorganisms and enzymes.

But scientists have long known that bacteria have some potent defenses. When subjected to extremely hostile conditions, bacteria often encapsulate themselves in thick layers of protein and shut down their metabolism. They become spores, withstanding the rigors of desiccation, heat and cold.

Although spores hundreds of years old have been found, rehydrated, nourished and restored to life as bacteria, the revival of spores millions of years old was widely considered impossible.

Dr. Cano is well known among molecular biologists for the revolutionary research conducted by a team of which he was a member. He and the other scientists isolated DNA from extinct zebras and other animals and plants, using their analyses of DNA sequences to map relationships among species and evolutionary pathways.

Some of their conclusions remain controversial, but their work created a new and fruitful field of biological research.

Dr. Cano is so confident of his latest findings that he has founded a company, Ambergene Corp., in San Carlos, California, to develop pharmaceutical products derived from the putative ancient organisms.

Dr. Cano and his colleagues reason that pathogenic bacteria that have never been exposed to natural antibiotics that disappeared from the world at large millions of years ago may be vulnerable to them. If so, ancient bacterial antibiotics could become valuable new weapons against disease.

Dr. Cano said most of the ancient microorganisms he had cultured are strains of Bacillus sphaericus, a harmless bacterium that is common today in soil and in the bodies of insects.

Whether or not the strains of Bacillus sphaericus found in amber are essentially identical to modern bacteria remains to be seen: skeptics who contend that they are the same say that this shows the "ancient" bacteria to be nothing more than modern contamination.

But Dr. Cano is sticking by his guns. He said his team had taken such scrupulous precautions that accidental contamination appeared to be ruled out.

Stocks Stage An Orderly Retreat From Record Highs

Market Euphoria Fades As Analysts See Signs Of Possible Correction

By Lawrence Malkin
International Herald Tribune

NEW YORK — The stock market conducted an orderly retreat Friday from the year's peak, with analysts and investors deflating their own euphoria but still divided on whether the market will land as softly as the U.S. economy.

After an 82-point plunge Thursday in the year's biggest selloff, the Dow Jones Industrial Average opened Friday almost 3 points higher, at 4,340, and closed at 4,341, an 89-point loss for a week that called recent bullish expectations into question.

As the bubble deflated on Wall Street, the air also went out of stock markets in Asia and Europe, most of which were down a percentage point or two.

But the nervousness did not appear to have spread to the dollar or to the bond market, both of which held steady while traders waited for data on the real economy, due next week, and the meeting of the interest-setting Open Market Committee of the Federal Reserve on Tuesday.

Since November the Dow has risen 700 points, reaching a record high of 4,437 on Monday. The pace accelerated after the new year, with the Dow average rising 11 percent during the past two months alone, as Wall Street persuaded itself that the Federal Reserve's interest rate increases in 1994 would halve the economy's unsustainable growth rate of more than 4 percent and brake inflation.

Leading analysts said Friday they still believed this soft-landing strategy would succeed.

"A recession will be avoided," Abby Joseph Cohen, top strategist for investment bankers Goldman, Sachs & Co. predicted Friday.

But she said the big trading firm had pulled in its horns a bit, especially on technology stocks, which had paced the market's rise because of the demand for computers to retool industry and to drive the expanding service economy.

She said Goldman, Sachs had reduced the recommended weighting of stocks in client portfolios from 75 percent to 60 percent. It recommended keeping 25 percent of the portfolio in bonds, 10 percent in cash, and 5 percent in commodities.

Some of the prudence Friday may have been part of what Wall Street politely calls a correction — or, perhaps, a consolidation.

Technical analysts pointed out that a stock market run-up of this magnitude normally corrects itself by a fall of one-third to one-half of its recent gains as traders take profits and sit on the sidelines for a while.

Optimistic analysts said the market was merely consolidating its gains because technology stocks were still strong and returns on bonds unattractive relative to stocks.

But as the Dow headed for its peak, the overriding sentiment was euphoria.

"Where have all the bears gone?" asked the cover story in Forbes Magazine, which bills itself as the "Capitalist Tool." Citing one brokerage analyst after another who had abandoned market skepticism in advice to clients, the biweekly magazine said it could find hardly any pessimists on Wall Street.

That may not be a optimum condition, warned Hugh Johnson of First Albany Securities, who tracks prevailing market

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Dow Jones	Trib Index
Up 0.69	Down 0.95%
4341.33	119.32

The Dollar

New York.	Fri. close	previous close
DM	1.4443	1.4405
Pound	1.5705	1.5779
Yen	86.80	86.90
FF	5.1145	5.106

Tehran Grants a Glimpse Of a Nuclear Site Reborn

Russian Workers Are Invisible at Plant That U.S. Fears Could Give Iran a Bomb

By Elaine Sciolino
New York Times Service

BUSHEHR, Iran — At a vast construction site baked by the sun and buffeted by the salty Gulf air, two partly built nuclear reactors are frozen in time.

For the Iranians, the enormous steel and concrete structures represent what might have been and what might be, a symbol of their right to develop nuclear energy and of their potential to become a great regional power.

For the Americans, the reactors are an ominous sign of Tehran's determination to build nuclear weapons within the next decade and a threat to U.S. national security.

There is no evidence that this site, 1,200 kilometers (740 miles) south of Tehran, is a center for a weapons program, and inspectors from the International Atomic Energy Agency have never reported suspicious activity.

But the plant has strained Washington's relationship with Moscow, aggravated already inimical relations between the United States and Iran and trained the spotlight on a place that has yet to produce either a gram of enriched uranium or a watt of electricity.

The United States and Germany say they have evidence that Iran is secretly buying components and technology from abroad that point to a determined weapons program.

The U.S. view is that the project is dangerous because it will bring hundreds, perhaps thousands, of Russian experts to Iran who could help build nuclear bombs.

Despite the insistence of Iran's leaders that they have no intention of becoming a nuclear power, they have invited few outsiders to Bushehr, and in opening up the complex to a foreign reporter, they clearly intended to prove they have nothing to hide.

"We only want to get the benefit of the huge amount of money we have already spent," Reza Amrollahi, the head of Iran's nuclear program, said in an interview in Tehran. "We have the right, just like any other country, to develop a peaceful nuclear energy program."

Shah Mohammed Reza Pahlavi once said Iran would have nuclear weapons "without a doubt and sooner than one would think," and it was he who in the 1970s asked the German engineering company Siemens to build a nuclear energy complex for his country.

The revolutionaries who toppled him in 1979 vowed, as they put it, not to waste the people's money on such a frivolous project, and they canceled the contract. But several years later, they changed their minds and decided to make good on the $6 billion investment.

But Bonn, suspicious of Iran's intentions and under intense U.S. pressure, determined to avoid all nuclear cooperation with Iran. Then the Russians came along this January with an irresistible bargain: They would build and install a light-water reactor in one structure for only $780 million, and finish the second one if the first went well.

"Because of the bad economic situation in Russia, the Russians can do industrial and technical magic here," said Kazem Khabir, the deputy manager of the site and a nuclear engineer who received his master's degree from the University of Oklahoma. "For such a small price, I don't think the West could have done such a thing."

Although soldiers guard the site's en-

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The fugitive German tycoon Jürgen Schneider in an FBI vehicle following his arrest in Miami after 13 months in hiding. Reuters

Germans Seek Realty King's Extradition

By Rick Atkinson
Washington Post Service

BERLIN — German authorities said Friday that they would ask the United States to swiftly extradite Jürgen Schneider, the fugitive construction magnate who was arrested in Miami on Thursday after a 13-month global manhunt.

Federal law enforcement officials have already filled out an extradition application, a Justice Ministry spokesman said, although it may be several months before Mr. Schneider, 60, returns to face trial in Germany on fraud and forgery charges.

Mr. Schneider, who was being held in a jail cell across the street from Miami's federal courthouse, faces up to 10 years in prison if convicted.

The so-called "construction king," who built Germany's largest private real estate empire before vanishing in April 1994, is accused of duplicitously amassing debts of more than 5 billion Deutsche marks ($3.5 billion.) The flight of the bricklayer who became a billionaire tycoon shocked the country and deeply embarrassed the giant Deutsche Bank, which had bankrolled him with $830 million.

Considered one of Germany's most-wanted fugitives, Mr. Schneider had been variously reported to be in the Bahamas, Iran, Paraguay and other exotic locales. But the police said he apparently spent most of the past year in the United States after fleeing Europe on a flight from Switzerland to Washington.

News of Mr. Schneider's arrest by the FBI was greeted with enthusiasm Friday by German banks, construction companies and others left holding the bag after his abrupt disappearance.

"We hope that it will be shown whether there's still money hidden somewhere which could be used for unpaid tradesmen," said Karl Klumpp, spokesman for a workers' association.

At a press conference in Wiesbaden, German police said they tracked down Mr. Schneider by following an Italian courier who also acted as the fugitive's driver and assistant. The courier, identified as Luigi Poletti, flew from Geneva to Miami earlier this week and was seen leaving an apartment building on Thursday in a rental car with another man, according to Hans Schmid, who headed the investigation.

The two men bought liquor and fruit before stopping at a bank north of Miami. When Mr. Poletti went inside, German investigators and FBI agents approached the car and arrested the man, who, despite having grown a mustache and shed his trademark toupee, was recognizable as Mr. Schneider. An hour later the fugitive's 49-year-old wife, Claudia, was arrested in a luxury condominium where the couple reportedly had lived for at least eight months.

Mr. Schneider parleyed his passion for renovating old buildings into a constellation of richly appointed commercial properties, including such glitzy enterprises as the Schiller Passage shopping mall in Frankfurt, Hotel Rose in Wiesbaden and the Berheimer Palace in Munich. He was

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AGENDA

NATO Seeks Balkan Troop Pledges

BRUSSELS (Reuters) — The North Atlantic alliance's military head is asking member countries for firm pledges on troops and equipment for a possible UN withdrawal operation from former Yugoslavia, NATO sources said Friday.

They said General George Joulwan had been authorized by NATO's political wing to seek specific answers on what troops member nations would be prepared to commit.

NATO officials immediately sought to play down the significance of the move, stressing that it was not a request for mobilization and fell into the category of planning.

The United States has indicated it would provide about half of the 40,000-to-45,000 force required for what would be the largest military operation ever undertaken by the North Atlantic Treaty Organization.

From Yeltsin Effort at Harmony, Discord

By Michael Specter
New York Times Service

MOSCOW — When President Boris N. Yeltsin persuaded his final few supporters to form their own political party last month, it seemed like a crafty effort to circle the wagons: A powerful centrist bloc might be the only way to keep extremists from winning elections here later this year.

But what began as an attempt at political consolidation has quickly turned into an epidemic of divisiveness.

Mr. Yeltsin had hoped to create blocs — one led from the right by Prime Minister Viktor S. Chernomyrdin; another from the left by the speaker of Parliament, Ivan P. Rybkin.

Other democratic parties, fearing the rise of fascism or the return of communism, were to rush to the center in an effort

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to hold the line for moderation and reform. That would supply enough gravity in the center to fend off the extremes. At least that was the idea, which lasted less than a week.

"These parties created by the power elite are in no way compatible with what is called democracy," said Grigori A. Yavlinski, a liberal economist who leads his own political faction.

Mr. Yavlinski's faction, while not very popular, is far more attractive to most voters than anything associated with Mr. Yeltsin. "This bloc of the old leaders is going to do nothing for unity," he said.

But then neither, it appears, is Mr. Yavlinski. For a tantalizing day last week he appeared ready to unite his political faction with Russia's Choice, the party of Yegor T. Gaidar and the largest liberal group in the country.

Both men appeared last Sunday night on the talk show Itogi, and Mr. Yavlinski acknowledged that without harmony between their groups, the democrats could be in for a rough ride at the polls in December.

But democracy is still new to Russia, and harmony has never been one of the country's best known attributes. By the next day, Mr. Yavlinski was acting as if he had been forced to make such conciliatory comments.

And members of Russia's Choice have now declared war on the only political group whose ideology they essentially share.

"He acted like the worst of traitors," said Alla Y. Gerber, a member of the

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Newsstand Prices

Andorra	9.00 FF	Luxembourg	60 L. Fr
Antilles	11.20 FF	Morocco	13 Dh
Cameroon	1,400 CFA	Qatar	8.00 Rials
Egypt	E.P. 5000	Réunion	11.20 FF
France	9.00 FF	Saudi Arabia	9.00 R.
Gabon	960 CFA	Senegal	960 CFA
Greece	350 Dr.	Spain	225 PTAS
Italy	2,800 Lire	Tunisia	1.250 Din
Ivory Coast	1.120 CFA	Turkey	T.L. 45,000
Jordan	1 JD	U.A.E.	8.50 Dirh
Lebanon	US$ 1.50	U.S. Mil. (Eur.)	$1.10

Chasing the Balanced-Budget Rainbow

Congress Has Tried Before to Rein In the Deficit, but in Vain

By David E. Rosenbaum
New York Times Service

WASHINGTON — "Make no mistake about it, this bill is a historic watershed," said Senator Bob Packwood, Republican of Oregon. "If this bill does not work, or if Congress and the president attempt to frustrate it, we will lose our last significant opportunity to deal with the deficit."

Those sentiments were expressed repeatedly as the House of Representatives approved a resolution Thursday that is supposed to lead to a balanced budget by 2002 and the Senate began debate on a companion measure.

But Mr. Packwood's remarks were not made Thursday. They came on the night 10 years ago when Congress approved the Gramm-Rudman-Hollings legislation, which was meant to put the budget into balance by 1991.

The fact is, Congress has been promising a balanced budget ever since 1978, when legislation was adopted stating that beginning in the fiscal year 1981, spending "shall not exceed" receipts.

But each time the screw was tightened so much that people were threatened

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with actual pain from reductions in government programs, Congress passed new legislation that relaxed the pressure. And the federal budget deficit — the amount by which government spending exceeds revenues each year — continued to rise.

The question now is whether this year is different — whether this time Congress will actually follow through its resolve to adopt and stick to policies leading to a balanced budget, or whether today's promises will evaporate once the heat is turned up like so many drops of water in a skillet.

No one can answer the question with any confidence. But economists and political analysts who are following the matter agree that this year feels different.

One reason is that the Republicans who control Congress are unified like no other party in decades, and they are committed to the goal of a balanced budget. Many of those elected for the first time last year believe that their advocacy of a balanced budget was crucial to their success at the polls.

Another difference is that the budget resolutions in the House and Senate this year, despite their lack of specifics, contain few of the gimmicks and unrealistic

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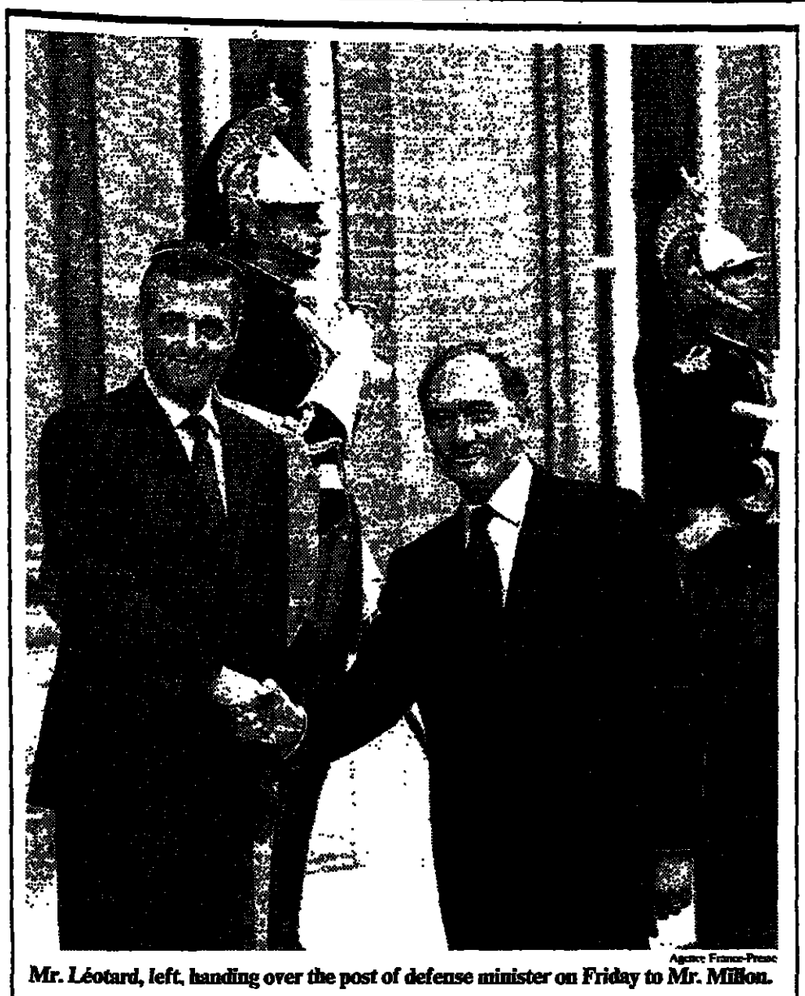


Agence France-Presse

Mr. Léotard, left, handing over the post of defense minister on Friday to Mr. Millon.

French Minister on the Defensive

Reuters

PARIS — The new French defense minister, Charles Millon, acknowledged Friday that he had not done the military service compulsory for most young Frenchmen.

"I will say this very clearly: I was exempted for medical reasons. Period," Mr. Millon said when asked about his military record as he took over from François Léotard.

Mr. Millon, 49, gave no information about the medical reasons for his exemption from service, which would have been for 16 months.

Mr. Millon, named Thursday in the new cabinet of Prime Minister Alain Juppé, had shown little public interest in defense matters during a long career in politics.

Army officers were nervous before the ceremony, recalling the irreverent comments that marked Mr. Léotard's first contacts with the press three years ago.

Although now a member of the center-right, Mr. Léotard was an extreme leftist when he was called to military service and only narrowly avoided a court-martial for recurrent clashes with superiors. But he won the grudging respect of the military during his ministerial tour for successfully promoting defense budgets.

Chirac Sounds Battle Cry on Joblessness

Reuters

PARIS — President Jacques Chirac, in his second day in office, urged Parliament on Friday to join his battle against unemployment.

Each legislator, he said in a written message, "has a crucial mission and responsibility in the tasks we must undertake and particularly in the battle against unemployment, which is a cancer in our society."

"Citizens' confidence in their leaders is weakened when unemployment and social exclusion cannot be checked," the president said.

In remarks intended to show he was moving swiftly to carry out campaign promises, he proposed two constitutional reforms. One would broaden the issues on which referendums may be called and the other would lengthen the parliamentary session.

The Parliament now meets in two sessions totaling about six months a year, broken by long recesses. Under the proposed reform, it would meet for a continuous nine-month session. The proposed reform was a gesture to the National Assembly president, Philippe Séguin, a key Chirac backer during the presidential campaign.

U.K. Tories' Latest Caper: Covering Up Favors

By John Darnton
New York Times Service

LONDON — For Prime Minister John Major and his besieged Conservatives, the timing could not have been worse.

Just as the House of Commons was getting ready to wade into a provocative debate over the scandalous conduct of members of Parliament, a new scandal broke over the heads of the governing Tories.

Coming at a time when the government wants to limit political damage by embracing reform proposals, the scandal practically ensures that Parliament will adopt a sweeping code to regulate the behavior of its members. The goal would be to try to wean them from the influence of lobbyists and businesses that legally carry them on the payroll.

The latest revelation concerns Sir Jerry Wiggin, a senior Conservative lawmaker and former minister. Paid to represent a trade association, he tried to attach an amendment to a bill under the name of another lawmaker, Sebastian Coe, the former star middle-distance runner.

Mr. Coe, unlike Sir Jerry, is a member of the committee considering the bill, which would have loosened some restrictions on trailer park owners when it comes to supplying gas to trailers. When Mr. Coe learned that someone else was using his name, he withdrew the amendment and went public.

Sir Jerry, 58, a former junior minister in the Defense Ministry, is a paid adviser to the British Holiday and Home Parks Association. He is on a trip to South Africa sponsored by the House of Commons, and British news programs have shown him refusing all substantive comment on the ground that he has not had a chance to read the newspapers.

But in comments taped before the scandal broke and broadcast by Channel 4's "Dispatches" program, which together with The Guardian newspaper first disclosed the allegations against him, he implied that the practice of using "a friend" to insert amendments was not uncommon.

"I personally find it more tactful if possible to find people who are interested in the subject than to do it oneself," he said.

The speaker of the House of Commons, Betty Boothroyd, said that she was "seriously examining" the case.

By coincidence, Thursday was the opening day of Parliamentary debate on a series of reforms proposed by a special 10-member committee led by Lord Justice Nolan. It was set up by Mr. Major last October in response to a series of scandals. In the most prominent case, two ministers resigned after reports that they had accepted payments from the owner of Harrods department store to pose questions on his behalf as he was fighting to purchase the store.

It is legal for lawmakers to represent businesses and even lobbying organizations, and many do.

Research by the Nolan Committee found that 30 percent of the backbench members of Parliament — those not in the cabinet, or in the opposition's "shadow cabinet" — hold paid consultancies. Of 566 eligible members, 389 have financial relationships with outside bodies connected to their work as lawmakers.

■ Is Major Foot-Dragging?

Mr. Major was accused Friday of delaying action on the Nolan inquiry after pressure from members of Parliament of his own Conservative Party, Reuters reported. The government announced the creation Thursday night of a new committee to study the inquiry's findings after Conservative legislators reacted furiously to calls for restrictions on their earnings outside Parliament.

Opposition politicians attacked the latest committee as a delaying tactic.

"Why is it that your government seems incapable of sticking to a course of action for more than five minutes," the minority Liberal Democrat leader, Paddy Ashdown, said in a letter to Mr. Major.

The Labor Party leader, Tony Blair, challenged Mr. Major to "show leadership" and to put the rules into effect.

Belgian Coalition Faces Voters

Sunday's Election Seen as Test for Embattled Socialists

By Tom Buerkle
International Herald Tribune

BRUSSELS — Belgium's governing coalition limped to the finish of the country's election campaign on Friday, with voter dissatisfaction over high unemployment and corruption scandals threatening the government's drive for a new mandate to continue its economic reforms.

Prime Minister Jean-Luc Dehaene and his Flemish Christian Democrats have made gains in recent polls and appear likely to beat back a challenge from the Flemish Liberals to remain the largest party in Dutch-speaking Flanders, and hence the country.

But Mr. Dehaene's gains may not make up for losses by one of his coalition partners, the Flemish Socialists. The party has seen support drop over investigations of alleged bribes by the Italian helicopter-maker Agusta, an affair that forced Foreign Minister Franck Vandenbroucke to resign last month and has put pressure on Willy Claes to step down as secretary-general of the North Atlantic Treaty Organization.

Mr. Dehaene called the election hoping for a mandate to continue his long-term effort to reduce the deficit and national debt, which at over 130 percent of output is more than double the ceiling for joining a single European Union currency.

But a poor showing by the Socialists in the voting on Sunday would force the coalition to enlist support from the Liberals or the Greens, an unstable mix that would make it difficult to tighten up the current austerity policy, officials and economists concede.

After the last election, in 1991, it took Mr. Dehaene more than three months just to form his four-party coalition.

"If Belgium still has the ambition of entering an economic and monetary union, we will have to take some very profound and drastic measures," Mark Eyskens, a former Christian Democratic prime minister, said recently. "That will be very difficult with a three-party government."

Mr. Eyskens should know. He was a member of the last tripartite coalition among Christian Democrats, Socialists and Liberals in the late 1980s, and it lasted only three months. Given the complexities of Belgium's linguistic divide, each political current has separate parties for Flanders and for French-speaking Wallonia, complicating coalition calculations.

So far, financial markets are betting that the coalition will pull through, with the Belgian franc holding firm Friday at 20.585 to the Deutsche mark.

Market participants are more concerned about economic policy across the border, since abandonment of France's strong-franc policy by President Jacques Chirac would unleash instability across Europe, said Willy Kestens, head of foreign exchange trading at Kredietbank.

The last published opinion poll early this month showed the Christian Democrats and Socialists together drawing support of just over 45 percent, which, given Belgium's system of strict proportional representation, would leave them short of a majority in Parliament. The Liberals polled just over 25 percent.

Algerian Killed Self To Protest Paris Fate

The Associated Press

PARIS — An Algerian television director who fled an Islamic insurgency in his homeland died after setting himself afire in a Paris park to protest his difficult situation, friends said Friday.

The director, Mohammed Amzert, 46, died a week ago, on May 12. He set himself afire in the Parc de Choisy on the southern edge of Paris to protest the fate of hundreds of exiles leading uncertain lives in France after fleeing Algeria to escape death, friends said.

The police confirmed Mr. Amzert's death, saying he had died in a Paris hospital where he had been taken in serious condition after setting himself ablaze.

Mr. Amzert, who made documentaries for Algerian television, "wanted, by this act, to end the daily humiliation and call authorities' attention to the desperate situation of numerous countrymen like him," said a member of his entourage, seeking to remain anonymous.

Thousands of Algerians who consider themselves potential targets of Islamic extremists have fled, mainly to France, to wait out the insurgency, which has left more than 30,000 people dead in three years.

Once in France, the refugees are given temporary cards that must be renewed every three months but do not allow the bearers to hold jobs. Few are accorded refugee status, the authorities say.

BRIEFLY EUROPE

Finland Leader Bars NATO Entry

BRUSSELS — The new prime minister of Finland, Paavo Lipponen, made it clear Friday that his country had no plans to join NATO, declaring that Finland "is no East European country."

"As far as NATO membership is concerned, it is not on the agenda for Finland," he said. "We have no security deficit."

Finland shares a 1,270-kilometer (790-mile) border with Russia. Helsinki has repeatedly stressed that it has no plans to abandon its policy of military nonalignment.

Speaking in Brussels, Mr. Lipponen said Finland wanted to make a contribution in the military field and was considering upgrading its peacekeeping capabilities. But he added, "We draw a clear line between peacekeeping and peace enforcement. Peace enforcement is not for us." *(Reuters)*

Cross-Channel Sprees' Ill Effects

BRUSSELS — Britons' rush to buy cheaper beer, wine and tobacco in France and Belgium is distorting competition, the European Commission said Friday.

"It is clear that some of the products being purchased by British customers are, in fact, being resold, illegally, in the United Kingdom," the European Union's executive body said in a draft report on excise duties on tobacco, alcoholic drinks and mineral oils.

But under strong pressure from conflicting interests, in particular from the wine, beer and spirits industries, the commission did not propose a solution.

Under single market rules, there is no limit on the amount of beer or wine an individual can buy, duty-paid, in another EU country provided it is for personal consumption.

The report says Union states are largely responsible for cross-border shopping problems. Efforts to balance duties among the countries have regularly failed. *(Reuters)*

Pope Set for Polish and Czech Visit

VATICAN CITY — Pope John Paul II takes to the road again Saturday with a three-day visit to the Czech Republic and his native Poland.

His wanderlust undiminished despite walking with a limp since leg surgery last year, the Pope will visit Prague and Olomouc in the Czech Republic and a string of tiny towns just across the border in the land where he was born.

The trip begins three days after the Pope's 75th birthday and is the second of six foreign visits scheduled for what his spokesman has called the "year of the five continents."

The main purpose of the visit is to make saints of two people who lived in Moravia, the eastern part of the modern-day Czech Republic, in the 13th and 17th centuries.

The main canonization, that of the priest Jan Sarkander, has created a feud with Czech Protestant leaders. Protestants tortured Sarkander to death in 1620 in an attempt to learn about the military strategy of Hapsburg Catholic forces in the wars for religious supremacy in the area.

Many modern Protestants charge that Sarkander was a traitor and agent of oppression who encouraged a Catholic invasion.

The pope's 10-hour jaunt Monday to three towns in southern Poland is billed as a tribute to the area where Sarkander was born. *(Reuters)*

Poll Gives Berlusconi Good News

MILAN — The media tycoon Silvio Berlusconi is on the way to winning a referendum to be held next month that will allow him to maintain his grip on Italian commercial television, an opinion poll published Friday showed.

In the votes, set for June 11, Italians will be asked if private ownership of national television stations should be limited to one channel, compared with the present three operated by Mr. Berlusconi's Fininvest company.

A survey by the Directa agency said 56.5 percent of Italians opposed the motion while 43.5 percent were in favor of reducing the former prime minister's television interests.

Fininvest controls more than 90 percent of the Italian commercial television market through its three stations. The channels' audience share equals that of the three state television channels.

But 51 percent said they support a referendum question that proposes severely cutting the time available for advertising breaks during televised films.

On the issue of whether state television should be privatized, which is also on the June referendum, 60 percent of respondents approved, the Directa survey said. *(Reuters)*

Zaire Eases Quarantine in Ebola Outbreak

Compiled by Our Staff From Dispatches

MBANKANA, Zaire — The government decided Friday to ease a quarantine intended to keep the deadly Ebola virus from spreading, but thousands of people trying to leave the "hot zone" were still trapped behind roadblocks.

Soldiers would not let them pass, and there was little water, food or shelter, increasing the risk of an outbreak of other diseases.

Hoping to keep the Ebola virus from spreading to Kinshasa, the capital, the government had decreed a quarantine for Kikwit, the city where the virus surfaced two months ago, and its surrounding province.

On Friday, government officials said the quarantine would be relaxed to cover only Kikwit, about 500 kilometers (300 miles) east of Kinshasa. People from elsewhere in Bandundu Province will be allowed to travel and enter the province.

"We are following the advice of medical experts who confirm that a broader quarantine is unnecessary," said Lonyangela Bopenda Bo-Nkuma, the health minister.

People stranded at roadblocks will be examined and "those who show no symptoms of any infectious diseases will be allowed to continue their journey," Philippe Stroot of the World Health Organization said in Geneva.

But it was unclear how long it would take for all the travelers to be checked or whether authorities in the field even had the capacity to conduct them.

So far, the incurable virus has killed 89 people out of 124 identified cases.

So far, no Ebola cases have been diagnosed in Kinshasa, a city of 6 million people, although doctors have cautioned that symptoms usually do not appear until 21 days after infection. In Kikwit, five new cases are appearing daily, said Dr. Jean-Jacques Muyembe Tamfum, a virus expert.

But medical experts say a wide-ranging quarantine is not only ineffective but also counterproductive.

"As soon as you start closing people in you give them a bloody good reason to run," Bob Swanepoel, a South African virologist, said in Kikwit. "The more they run, the more they spread the disease."

Mr. Muyembe urged authorities to begin a radio-television campaign to explain how the virus is transmitted — through exposure to body fluids — and to send more doctors and medical equipment to Kikwit.

In the past week, several thousand people trying to get to Kinshasa have arrived from towns in the quarantine region, about 160 kilometers east of Kinshasa. About 250 big trucks are lined up there, most of them carrying produce from the quarantine area.

People were sleeping out in the open, they had no clean water and were living off produce from trucks. Officials fear an outbreak of disease.

The measures taken to keep people out had cut the flow of food into the city and led to fear of shortages and rising prices, making life hard for residents of Kinshasa.

In Kinshasa, after a night of heavy rain, shoppers stepped carefully among rickety wooden food stalls through an ankle-deep gray sludge of mud and rubbish.

"Prices keep on going up and the zaire falls against the dollar, it makes life very difficult," said Annie Lebi, a shopper.

More Nations Screening For the Ebola Virus

Compiled by Our Staff From Dispatches

ADDIS ABABA, Ethiopia — Ethiopia announced Friday that it would follow the lead of many other countries in screening airline passengers for the Ebola virus in Zaire, and the European Union said it was banning imports of live monkeys from Zaire.

British officials quarantined three Zairians, and South Korea asked its nationals in Zaire and neighboring African countries to be ready to evacuate if the virus spread from the countryside to the cities.

British health officials appealed for people traveling from Zaire to see a doctor immediately if they showed any symptoms of the lethal virus.

It said the family of three Zairians taken to a hospital after they showed flu-like symptom had shown no evidence of infection with Ebola. They are being held for observation.

The three — a mother and two children — complained about feeling ill while they were at a Home Office building in suburban Croydon.

A spokesman for the Public Health Laboratory Service said: "The fever they had has subsided overnight and they all have normal temperatures."

The Ethiopian Health Ministry said that a group of experts was at the Addis Ababa airport to carry out medical checks on passengers coming from Zaire. Travelers will be asked to produce a medical certificate, if necessary, the ministry told the ENA news agency.

The EU ban on monkeys will last until at least the end of July and may be extended, said Gerry Kiely, a spokesman for the European Commission. Germany requested the ban, which was approved by the commission on the advice of a committee of veterinary experts from member nations.

Mr. Kiely said monkeys are imported mostly for research. The Ebola virus has long been associated with monkeys, which like humans can be infected and die of it. In some cases humans are believed to have become infected through contact with monkeys or apes.

Russia said Friday that it would also examine Zairean citizens arriving in Moscow. But it said the checks — taking passengers' temperatures and moving feverish patients to hospital for further tests — would not apply to transit passengers from Zaire.

(AFP, AP, Reuters)

2 Writers 'Lose' A Borrowed Rare Bentley

Reuters

LONDON — A dream assignment — to drive one of the world's most luxurious cars across Europe — ended in nightmare when the Bentley Azure was stolen from an Italian garage.

Two British motoring correspondents were lent the £215,000 ($336,000) car to accompany the Mille Miglia car rally in Italy.

Disaster struck in the town of Brescia, where they parked the red Bentley in a locked underground garage and switched on an electronic alarm system that locks the gearbox. On Thursday they discovered the car gone.

Bentley executives reacted with aplomb. The car was insured, they said, and they lent the crestfallen journalists another Bentley.

A spokesman for the British automaker said the rare car — only 118 are being produced this year — might have been stolen to order. "This is not just joyriders," he said. "It is like works of art being stolen."

Russia Curbs Fire At Arctic Oil Spill

The Associated Press

MOSCOW — Crews battling a fire at an oil spill in the Russian Arctic contained the blaze after it had spread over nearly 10 hectares, according to Western cleanup experts at the site.

The fire broke out Thursday afternoon north of Usinsk in the Komi region, where efforts are under way to clean up oil from a series of pipeline ruptures last summer and fall.

The Ministry for Emergency Situations in Moscow said a fire set to burn off accumulated oil had flared out of control but was contained early Friday by local fire departments. An American-Australian venture, AEC/Hartec JV, hired to clean up spills on 70 hectares (172 acres) of tundra, said the fire was unlikely to spread further and probably would die on its own.

TRAVEL UPDATE

Hotel Returns to Holy Land

TEL AVIV (Reuters) — The promise of Middle East peace has lured Inter-Continental back to the Holy Land, where it handed over its only hotel in territory under Israeli rule to the king of Jordan nearly 10 years ago.

The hotel was in Arab East Jerusalem, an area occupied and annexed by Israel in 1967 but claimed by Palestinians as the capital of a future state. The luxury hotel chain wanted out of the political controversy. But now Inter-Continental plans to open a hotel in Tel Aviv by 1998, the first international hotel to be built in Israel's financial capital in more than a decade.

Inter-Continental is also considering hotels in Eilat and Jewish West Jerusalem. Hyatt is building in Tel Aviv, while Hilton has plans for the Dead Sea and Jerusalem. Tourism reached a record in 1994, when 2.17 million people visited Israel, up 12 percent from 1993, Tourism Ministry figures show.

Interfaith Center in Cairo

CAIRO (AP) — Egypt's oldest synagogue, once a ruined relic of a dying community, has been restored as a center for Christian, Muslim and Jewish understanding.

The Ben Ezra Synagogue, on the site where tradition says Moses was found in bulrushes along the Nile, was opened recently to tourists and will soon inaugurate a library of Hebrew literature.

Located inside the ruined walls of a Roman fortress, the synagogue sits among medieval Christian shrines and near the Amr Mosque, which was built to celebrate the Muslim conquest of Egypt in 641. The restoration began in 1987 and involved an international team of archaeologists, architects, artisans and Egyptian craftsmen.

Swissair flights to Zagreb, Croatia, will resume Saturday, two weeks after they were suspended when Zagreb airport came under fire. **Austrian Airlines** also said it would resume flight to the Croatian capital. *(AP, AFP)*

Striking workers from the Polish tractor maker Ursus blocked a main rail line out of Warsaw for several hours on Friday to back their demands for more pay and government help for their heavily indebted company. *(Reuters)*

Airfares on domestic flights in China for foreigners will rise by an average of 20 percent beginning July 1, an official said Friday. Fares for Chinese nationals on the same flights, already up to half as cheap as those for foreigners, will remain unchanged. *(Reuters)*

The Philippines has banned the consumption of mussels, oysters and clams after two children died and dozens of others were hospitalized after eating them, officials said Friday. *(Reuters)*

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris.

Christopher Error on North Korea Stumps Washington

By R. Jeffrey Smith and Thomas W. Lippman
Washington Post Service

WASHINGTON — Secretary of State Warren M. Christopher, master of lawyerly precision, created embarrassment at the State Department and confusion on Capitol Hill by misstating an important element of U.S. policy toward North Korea.

State Department officials said Mr. Christopher was incorrect when he told a Senate Appropriations subcommittee that U.S. fuel oil shipments to Pyongyang would not resume until a dispute over the source of nuclear reactors to be built in the North had been resolved.

There is no such linkage, department officials said. The administration is not linking the oil shipments to the reactor dispute, they said, but plans to defer them only until North Korea agrees to stop diverting the oil from its agreed purposes.

Mr. Christopher's statement at the panel hearing provoked anguish within the department Thursday afternoon, as well as some finger-pointing at senior aides who were privately blamed for inadequately briefing the secretary in advance.

The confusion arose at a particularly awkward moment: A deputy assistant secretary of state for East Asian and Pacific affairs, Thomas Hubbard, arrived Friday in Kuala Lampur for talks with a North Korean delegation. The meetings, set to start Saturday, are to address the dispute over South Korea's offer to construct two nuclear reactors inside North Korea.

U.S. officials were worried that Mr. Christopher's remark would be seen as an attempt to blackmail the North Koreans, who have walked out of earlier talks with less provocation.

The reactor dispute arises from maneuvering between the Koreas to deny each other any political advantage from implementation of the U.S. nuclear accord with North Korea. The deal called for Pyongyang to get two reactors worth an estimated $4.5 billion in exchange for dismantling some other reactors and associated nuclear facilities that Washington said were devoted to producing an arsenal of nuclear weapons.

North Korea has balked at allowing South Korea to play a central role in the reactor construction out of concern that the arrangement would confer a superior status on its enemy. Seoul has insisted on playing that role because it is contributing the bulk of the funds for the project and wants North Koreans to become more aware of its technological prowess.

Many State Department officials consider the oil diversion issue a comparatively minor matter, but Senate Republicans have sought to highlight it as evidence that Pyongyang cannot be trusted to abide by the terms of an accord that they consider excessively generous.

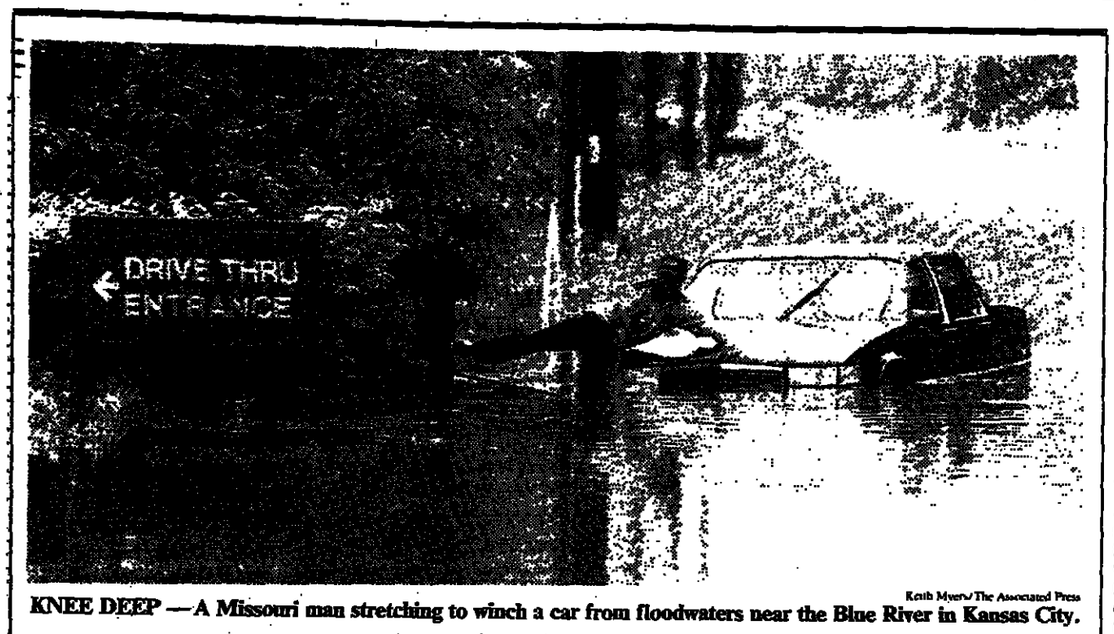
Under the October 1994 accord, the administration promised to arrange for regular deliveries of fuel oil to be used by North Korea for "heating and electricity production." The idea was to compensate Pyongyang for some of the energy it supposedly lost by halting its existing nuclear program — an arrangement that stems from what U.S. officials say is a fictional claim by North Korea that its nuclear program had a goal other than bomb-building.

Washington complained in February that a small portion of its first shipment of 50,000 tons of fuel oil had been diverted to an iron and steel factory. It demanded an explanation and a promise that the diversion would not recur, but Pyongyang denied that the accord had been violated. The next shipment of oil is scheduled for July but will not occur unless satisfactory arrangements to prevent diversion are in place, the State Department said.

Mr. Christopher's statement came while he was being asked by Senator Mitch McConnell, Republican of Kentucky, for an explanation of an administration decision to go forward with the oil shipments and the opening of a diplomatic liaison office in North Korea while the country was refusing to conduct any substantive dialogue with South Korea, as required by the nuclear accord.

Mr. Christopher, whose aides later said he had not been prepared for the question, responded that "until we have completed the program" for providing the South Korean reactors, "we will not go forward with the discussions of the oil nor will we furnish any additional oil."

The statement was all the more embarrassing because it conflicted with recent claims on Capitol Hill by State Department specialists on North Korea that the shipments would proceed on schedule, as long as Pyongyang kept to its promise to keep the existing reactor idle.



Keith Myers/The Associated Press

KNEE DEEP — A Missouri man stretching to winch a car from floodwaters near the Blue River in Kansas City.

Away From Politics

● **The navy secretary will consider** granting an honorable discharge to a helicopter pilot who says his beliefs as an Episcopalian would not allow him to lead women into combat. Lieutenant Commander Kenneth A. Carkhuff, who is based at Mayport Naval Station in Florida, said that the Bible teaches "that we should not subject women to violence." *(AP)*

● **A federal judge in Tampa, Florida,** has thrown out the first lawsuit that claimed that cellular phones cause brain cancer, saying there was no credible evidence of such a link. David Reynard filed the suit against a manufacturer and a carrier in 1993, saying that his wife, Susan, had died after contracting cancer from a cellular phone. *(AP)*

● **FBI agents searched the Philadelphia** home of a fund-raising executive, John G. Bennett Jr., after the Securities and Exchange Commission filed a lawsuit alleging that he had diverted $4.2 million from the Foundation of New Era Philanthropy to his own businesses. *(AP)*

● **A Los Angeles couple who built** a fortune after founding a mail-order business left $7.8 million to Harvard Medical School to study Alzheimer's and other diseases. The bequeathal establishes the Edward R. and Anne G. Lefler Center for the Study of Neurodegenerative Disorders. *(AP)*

● **The first person convicted** in the United States for possessing a biological weapon has been sentenced to 33 months in prison. Douglas Baker, 33, was sentenced in St. Paul, Minnesota, for possessing 0.7 grams of ricin, enough of the untraceable poison to kill more than 100 people. *(AP)*

● **Jurors in the O. J. Simpson** murder case, sequestered since January, have asked Judge Lance Ito to schedule Saturday trial sessions and extend the half-day sessions on Fridays to full days. *(AP)*

● **A tornado killed three people** in Ethridge, Tennessee, a mainly Amish town, damaging scores of homes and buildings. Twenty-nine people were injured. *(AP)*

U.S.-Japan Dispute Worries the Asians

Security Umbrella Could Tear

By Michael Richardson
International Herald Tribune

NEWS ANALYSIS

SINGAPORE — In previous trade disputes between the United States and Japan, Asia-Pacific countries fretted that economic tensions might strain the security ties between Washington and Tokyo that underpin regional stability.

This time, regional concerns are more acute. Tokyo has shown no sign of budging in the face of threatened sanctions, while Washington is warning for the first time of consequences for the bilateral security alliance. In the background, China is looming larger as a possible military threat.

"China is the new strategic shadow hanging over this dispute," an Asian official said Friday. "We need to have both the U.S. and Japan as a counterweight to China."

Yet senior American officials, reflecting the frustration that the Clinton administration feels after fruitless rounds of trade talks with Tokyo, are pushing the stakes beyond economics into security.

The United States said Tuesday that punitive tariffs worth $5.9 billion on imported Japanese luxury cars would be imposed if Japan fails by June 28 to open its markets to American cars and auto parts.

Michael McCurry, the White House press secretary, said that the security relationship with Japan had not yet been poisoned. But if bilateral economic problems were not resolved, he added, "they can have an impact on some other aspects of cooperation."

Analysts say that following the end of the Cold War, it has become increasingly difficult for the U.S. government to maintain public support for a costly security policy to protect Japan, especially with the United States running a huge trade deficit with Japan and U.S. products largely being excluded from the Japanese market.

Ralph A. Cossa, a Honolulu-based regional security expert with the Center for Strategic and International Studies, said that while both sides had made "a concerted effort to keep economic frictions from impacting on the security relationship, economics and security are becoming increasingly intertwined."

He said that the greatest threat to the U.S.-Japan security alliance today is "eroding public support in both nations, which is caused in large part by continuing economic frictions."

The Asia-Pacific countries devastated by Japanese military occupation before 1945 view the alliance as insurance against Japan again becoming an independent, and perhaps dominant, military power.

Under the alliance, Japan allows U.S. forces access to Japanese bases while its own forces patrol no farther than 1,000 nautical miles from the Japanese homeland.

Masashi Nishihara, professor of international relations at the National Defense Academy in Tokyo, said that what was new about the current trade dispute was that Japan had shown no sign that it was ready to seek a compromise.

Many other countries in East Asia support the Japanese stand, partly because they oppose American unilateralism and partly because they fear they may become the next targets of U.S. trade sanctions.

Most East Asian economies, led by China, have large trade surpluses with the United States and maintain barriers to American goods and services, a source of bitter complaint in Washington.

Nonetheless, Mr. Nishihara said that he was "more or less optimistic" that Japan and the United States would be able to keep their trade dispute separate from their security relationship.

He said that because China's power was "becoming more formidable, it makes U.S. security relations with Japan more important" both for America and for regional stability.

In recent years, Japan and other Asia-Pacific countries have developed extensive trade and investment with China in the expectation that economic growth would moderate its military and political behavior.

However, apprehension about China's intentions toward Southeast Asia now dominates thinking in official circles in the Association of South-East Asian Nations, said Hilman Adil, director of the Center of Social and Cultural Studies at the Indonesian Institute of Sciences in Jakarta.

China's assertive policy in the South China Sea and its recent resumption of nuclear weapons testing show that it is intent on becoming "a major military power within the shortest possible time," the Jakarta Post said in an editorial Wednesday.

Washington Sees New York's Finest at Their Worst

New York Times Service

WASHINGTON — Dozens of New York City police officers visiting Washington for a service honoring fallen comrades went on a drunken rampage in at least five downtown hotels, setting off fire alarms, vandalizing cars and firing automatic weapons into the air, according to officials and law enforcement officers.

"They were drunk out of their minds and stayed drunk for three days, from what I can tell," Emily Vetter, president of the Hotel Association of Washington, said of the incident last weekend.

"They were spraying fire extinguishers, yelling, singing, screaming and taking their clothes off, until they were told to stop and put their shirts back on — juvenile stuff, like what happens when we have 14-year-olds," she said. "Other guests in the hotel were not impressed."

The Washington police commissioner, William Bratton, said the officers involved were "morons," who did "things that you would not normally associate with professionals." If it were up to him, he said, "I'd fire them."

District of Columbia police were called, but they made no arrests. Irate hotel guests and officials criticized the District police, too, saying they had been too lenient with their fellow officers. The internal affairs divisions of both the Washington and New York City police departments are investigating.

AMERICAN TOPICS

A Doctor at 17, He Next Hopes To Be a Nobel Prize Winner

Balamurali Ambati graduated last week from the Mount Sinai School of Medicine in New York at the age of 17.

"He certainly is among the youngest ever graduated from a U.S. medical school," said Patty Shea of the Association of American Medical Colleges. She could not say if he was the youngest.

Dr. Ambati, a native of Vellore, India, moved to Buffalo, New York, with his family when he was 3. His father is an industrial engineer and his mother is a math teacher. He was doing calculus at 4. At 11, he graduated from high school and co-authored a research book on AIDS with his older brother Jaya, who is now 24 and also a doctor. At 13, he graduated from New York University.

He plays chess, basketball and Ping-Pong and is just learning to drive. "I was never called a nerd or geek or anything like that," he said. Patients he has seen so far also don't seem to mind his age.

"Part of the reason, I think, is that I'm 6 feet tall, so most people can't readily tell I'm so young," he said.

"But I have to say that once they learned about it through the grapevine, they tended to be very friendly and open-minded about it."

Dr. Ambati, who lives in the New York borough of Queens, will soon begin four years as an intern. He plans to specialize in ophthalmology. He says his next goal is the Nobel prize.

Short Takes

What is it like to drive an electric car? William J. Cook of U.S. News & World Report magazine tried a Ford Ecostar, an electric-powered experimental model, for 10 days. He reports, "Acceleration is surprisingly brisk, utterly smooth and so quiet you feel you're being pushed by a ghost." And "at 70 miles an hour, the Ecostar's top speed, all you hear is wind and tire noise." A big gauge on the dashboard constantly displays "miles to recharge." And recharging for the maximum 100 miles (160 kilometers) — plugging and unplugging the car with house current — takes 50 seconds per day, compared to 2 minutes, 45 seconds to gas up a regular car for 300 miles.

The Barnes Foundation's exhibit of French art is headed to Munich after all. A three-judge panel of the Pennsylvania Superior Court Judge reversed a lower court ruling barring the trip. The Haus der Kunst will show the works from mid-June to mid-October, paying the foundation $2.25 million.

For eight years, Larry Wood, 37, and Rafael Sencion, 39, shared an office as tenant advocates, helping poor people get repairs and avoid eviction. When New York City cut their funding, Mr. Sencion, a bachelor, asked to be laid off the $33,000 job in place of his friend, a married father of two, although he had more seniority. "There's no way to repay him," Mr. Wood said. "He's a true friend." Mr. Sencion, who is living on his severance pay, said: "It is only good sense. Larry had himself, a wife and two children to support. I have just me."

Surfer magazine is indignant over a CNN description of Brian (Kato) Kaelin, a star witness in the O. J. Simpson murder trial, as "the quintessential aging surfer." The magazine said: "Just because a guy has bleached hair, winter tan, speaks slowly and is pleasant to the point of being vacuous, does that mean he's a surfer? Of course not." In fact, Mr. Kaelin, the magazine noted after checking with his press agent, is from Milwaukee and "despite his look he has never set foot on a surfboard."

International Herald Tribune.

Rio Opens War on Drug Gangs After Shoot-Out in Posh Area

New York Times Service

RIO DE JANEIRO — Opening a counteroffensive against drug traffickers, the state government has appointed an army veteran to lead Rio de Janeiro's war on crime.

Nilton Cerqueira, a 64-year-old retired general, is to become the city-state's public security secretary.

"Rio de Janeiro State is locked in a struggle to the death against organized crime," Marcello Alencár, the state's new governor, said recently.

The city is accustomed to violence in its poorer areas. The new outcry was prompted by the siege of a normally tranquil neighborhood.

Rival cocaine gangs blasted away at each other for three days, making a battlefield of Santa Teresa, a neighborhood of cobblestone streets and turn-of-the-century mansions.

The fighting killed more than a dozen people, including a 6-year-old girl and other bystanders, as well as several gang members.

POLITICAL NOTES

A Pentagon Salute Goes Awry

WASHINGTON — Of the 17 miles of corridors in the Pentagon, the most hallowed hallways commemorate famous battles and famous generals like Eisenhower and MacArthur. Now, without fanfare and to the displeasure of some career officers, the Defense Department has installed a new exhibition honoring "Our Commander in Chief," Bill Clinton.

A long third-floor corridor features 27 framed color photographs of Mr. Clinton, including shots of him meeting soldiers in Kuwait, eating with sailors on an aircraft carrier, playing his saxophone in an air force band and jogging with troops on a beach.

Some officers consider the exhibition a public relations effort by political appointees at the Pentagon to bolster Mr. Clinton's image with troops who distrust the president's Vietnam draft record and his policy on homosexuals in the armed forces.

"When I saw it, I just shook my head and said to myself, 'Someone is really trying to kiss up to the White House.' " said an army officer. "It's a Bill Clinton love fest with the military."

The White House says it had nothing to do with the exhibition, and in fact a junior aide to Defense Secretary William J. Perry takes credit for the display, which cost $7,889. The Perry aide, a 43-year-old former Clinton campaign worker, says there is nothing political going on.

"In the Old Executive Office Building and the West Wing of the White House, they have a lot of blow-up photos of the president," said the aide, Charles Duncan, a Pentagon liaison with the White House. "So I thought with all the people in this building, it'd be a good idea to display the commander in chief here." *(NYT)*

A Promise to End-Run Clinton

WASHINGTON — The Republican national chairman, Haley Barbour, has reluctantly concluded that Republicans will have to "go it alone" in cutting projected spending on Medicare because President Bill Clinton and congressional Democrats has refused to join the effort. But Mr. Barbour said Republicans could reap political dividends because they would receive most of the credit for saving Medicare from bankruptcy.

His comments were the first indication that Republicans were contemplating unilateral action to redesign Medicare and slow the growth of the health program, which serves 37 million elderly or disabled people.

"At this stage of the game it looks like the Republicans will have to go it alone," Mr. Barbour said. "As you know, we have asked repeatedly, publicly and privately, that the administration join in a bipartisan effort to save Medicare." *(NYT)*

Panel Is Impatient With Packwood

WASHINGTON — The Senate ethics committee, frustrated over the 30 months its investigation of Senator Bob Packwood has taken, intends to give him a firm deadline to respond to its charges against him, committee aides said.

The committee is likely to give Mr. Packwood, Republican of Oregon, about a month to answer. It is expected to set the deadline before it presents him with a summary of the evidence against him Monday.

Mr. Packwood, accused by the committee of sexual misconduct, evidence tampering and asking lobbyists to cut the cost of his divorce by finding a job for his wife, can ask to appear before the committee, and he can ask for hearings on the charges. *(NYT)*

Quote / Unquote

The administrator of the National Aeronautics and Space Administration, Daniel S. Goldin, on congressional cuts in NASA's budget: "I want to tell you I have had it. That cut is 20,000 jobs. Well, maybe they ought to cancel the space program. Then we could all sit in the bleachers and watch the rest of the world go by." *(LAT)*

EDITORIALS / OPINION

Herald Tribune INTERNATIONAL
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Yet Another Prosecutor

Having your own personal independent prosecutor has become something of a trend in the Clinton administration, a very odd perk of office. Former Agriculture Secretary Mike Espy has one. Attorney General Janet Reno has recommended that Housing and Urban Development Secretary Henry Cisneros have one, too, and he is waiting for his to be named. Then, of course, there is the matter of President and Mrs. Clinton's own interest in independent counsel Kenneth Starr's expanding Whitewater affair, which has already claimed casualties among their associates. Now Secretary of Commerce Ron Brown has joined the club.

Last February Ms. Reno announced a Justice Department preliminary review to determine whether Mr. Brown's personal financial interests should be probed by an independent prosecutor. The commerce secretary scoffed at the idea. He expressed confidence that a preliminary investigation launched under the independent counsel statute would show no indication of improper activity on his part. That prediction, it turns out, was wrong.

This week, after completion of a preliminary investigation of allegations of wrongdoing on Mr. Brown's part, the attorney general asked a U.S. Court of Appeals panel to appoint an independent counsel to delve deeper into his business dealings. Specifically, the Justice Department wants to know why and how the commerce secretary made nearly $500,000 from a company he owned with Washington business executive Nolanda Hill, although he invested no money in the venture and it made no profit. Apparently Ms. Hill and other witnesses refused to cooperate fully with Justice Department lawyers probing that question. According to Ms. Reno, the Justice Department has allegations "that there may have been some linkage between the payments to Secretary Brown and his official position" — a charge that Mr. Brown denies.

Justice also wants an independent counsel to investigate whether Mr. Brown violated federal laws by filing inaccurate financial disclosure reports and erroneous information on his mortgage application. Again, Mr. Brown, a first-class cabinet secretary, maintains that he has "complied in good faith" with his financial disclosure obligations. He also says he has avoided conflicts of interest, has never used his office for personal gain and is "absolutely confident" that he will be fully absolved of any wrongdoing. And again, he has said much the same before. Is he going to prove any better at forecasting this time around?

— THE WASHINGTON POST.

A Pattern of Duplicity

America's relations with Guatemala are a chilling study in cynicism. Beginning with a 1954 coup engineered by the CIA, Cold War security concerns dictated nearly every aspect of the relationship with this impoverished country. Abuses by Guatemalan military and security services went unchecked, and Americans who wandered into the way were killed or tortured with barely a protest from Washington.

The latest case to come to light seems to fit the pattern. As The New York Times has reported, Peter Tiscione, an archaeologist, was found dead in his hotel room in Guatemala in 1992 shortly after calling his wife in New York to tell her he feared for his life. The U.S. Embassy quickly accepted the Guatemalan government's glib explanation that he had stabbed himself in the neck four times with a machete.

Mr. Tiscione is hardly the first American to die in mysterious circumstances in Guatemala, or the first to be callously neglected by the State Department. In [illegible] Americans were killed in a plane [illegible] official explanations — first [illegible] engine failure — turned [illegible] witnesses said they [illegible] soldiers shoot down the plane. [illegible] Wolfe, a Peace Corps volunteer, was murdered in 1984. Diana Ortiz, an Ursuline sister, was abducted, taken to a clandestine prison, tortured and gang-raped by members of the military. Nick Blake, a journalist, was executed by members of the Guatemalan Civil Patrol in 1985. Michael DeVine was beheaded near his home near the village of Poptun in 1990. Efrain Bamaca Velásquez, a Guatemalan guerrilla married to an American, Jennifer Harbury, was captured, tortured and killed by the military under the command of a paid CIA informer.

All these cases have in common a well-founded suspicion of military wrongdoing and a timid State Department response. Representative Robert Torricelli, who made public the CIA's involvement in the murder of Ms. Harbury's husband, has documented 20 cases of Americans who were killed or subjected to human rights abuses in Guatemala.

Americans deserve a truthful accounting of the events of the past 40 years in Guatemala. Guatemalans deserve no less. Americans also deserve a diplomatic service that looks after their interests and refuses to tolerate the complicity of foreign governments in their mistreatment.

— THE NEW YORK TIMES.

Charitable Foolishness

Why would close to 300 charities and other nonprofit organizations and donors, including some whose names are well-known (museums, colleges, church groups, even the University of Pennsylvania), have put their money into a mysterious self-described "philanthropy" that promised to double the funds in six months, only to lose large amounts this week when the "philanthropy" filed for bankruptcy? What were they thinking of?

"We're not naive dupes, I don't think," one major donor and former U.S. deputy secretary of state told reporter Steve Stecklow in Monday's Wall Street Journal (which broke the story), explaining how the investment scheme had come highly recommended by people of known substance and integrity. By Tuesday, the so-called Foundation for New Era Philanthropy had filed for bankruptcy protection, and its founder, John G. Bennett Jr., had admitted to "tearful" employees that the group of anonymous donors he had said were matching the money did not, in fact, exist. The burned investors were in varied states of shock and amazement, contemplating losses that may total as much as $500 million.

Much remains to be puzzled out about New Era, which grew quickly for several years before the Securities and Exchange Commission began investigating it. More puzzling still is the image of solid citizens in the nation's supposedly robust charitable sector, just when that sector is being called upon to take up burdens previously borne by government, apparently gambling away the money they did have on the classic too-good-to-be-true offer.

Bad enough that university and nonprofit finances lately have been increasingly strained, their fund-raising pressures urgent; the need to maximize income from portfolios and endowments has led an increasing number of the sector's once conservative money managers to recommend the kinds of derivatives and other high-risk investments that had such an unhappy effect on Orange County, California. But it's one thing to maximize your return by knowingly entering into risky investments, and quite another to be scammed into the tempting belief that you can double your money without risking it.

As described in news accounts, New Era offered a short-term matching program in which a group of anonymous donors — their identities, it was said, known only to Mr. Bennett — undertook to match any funds put up by deserving institutions for six months or, alternatively, to double any contributions to those institutions made by large-scale individual donors. As with the so-called Ponzi, or pyramid scheme, institutions initially received the promised double payoffs right on schedule and thus gained confidence to invest more — and recommend that others join in the offer.

Even the University of Pennsylvania, which had put up $600,000 with qualms and caution, was motivated by the money's successful return to put up more money, now apparently lost. Penn will not say exactly how much, but at least, unlike some smaller groups, it did not bet the operating budget.

For financial officers who did, the outlook is grim — surely no grimmer than they deserve after such foolishness, but a good deal grimmer than is fair for the folks they sought to serve.

— THE WASHINGTON POST.

Other Comment

Give Kashmiris Autonomy

At present, Kashmir has less self-government than any other Indian state. But depriving Kashmiris of political power has not obviously benefited the rest of the country; it has tied down hundreds of thousands of soldiers, turned many Kashmiris into potential traitors and damaged India's reputation for political decency. If India is to regain Kashmiris' loyalty and the rest of the world's respect, it needs to give the state the autonomy that Jawaharlal Nehru long ago promised.

— The Economist (London).

International Herald Tribune
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International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France. Tel: (1) 41.43.93.00 Fax: Circ. (1) 41.43.92.18; Adv. (1) 41.43.92.12. Internet: IHT@eurokom.ie
Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. (65) 472-7768. Fax: (65) 474-3341. Mgr. Dir. Asia: Rolf D. Krauspold, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax. 852-2922-1190. Gen. Mgr. Germany: T. Schlueter, Friedrichstr. 15, 60323 Frankfurt/M. Tel. (069) 72 67 55. Fax: (069) 72 73 10. Pres. U.S.: Michael Cowan, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax: (212) 755-8785. U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (071) 836-4802. Fax. (071) 240-2254. S.A. au capital de 1 200 000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337.

NATO Support for the UN Protection Force in Bosnia

By Anthony Lewis

WASHINGTON — The conflict in Bosnia is approaching a new crisis. Brutal as the situation has been, it could get much worse: worse for the people of Bosnia, worse for the United Nations and worse for President Bill Clinton.

The crisis looms because the position of the UN Protection Force in Bosnia has become untenable. In the last two weeks the Bosnian Serbs have made heavy artillery attacks on the capital, Sarajevo, and other supposed "safe areas." They have closed the Sarajevo airport. And about all this the United Nations has done precisely nothing.

Abandoning Sarajevo, a city of tolerance in a region of hatreds, would be a terrible symbol — a defeat for all that the West claims to stand for.

On May 7, after a Serbian mortar attack killed 11 people in Sarajevo, the UN military commander in Bosnia, Lieutenant General Rupert Smith of Britain, asked for a NATO air strike on Serbian positions. His request was vetoed by the United Nations' civilian representative, Yasushi Akashi. The failure to respond to renewed Serbian aggression has cost the UN force about the last of its credibility — its leverage — with the Serbs. And soldiers in the largest UN contingent, the French, have themselves suffered casualties in the fighting.

Now France is threatening to pull its troops out. If they go, the United Nations would almost certainly have to withdraw the UN force altogether. If that happens, even those of us who have been skeptical of the UN force, with its supine attitude toward the aggressors, have to recognize that things are likely to get much worse.

The Bosnian Serbs would probably launch an all-out attack on Sarajevo, to capture it or level the city. Their leader, the suspected war criminal Radovan Karadzic, has said he will make Sarajevo the capital of his Serbian republic.

The Bosnian government enclaves in the east, which exist only because of UN protection, would quickly fall to the Serbs. More genocidal atrocities can be expected to follow.

The withdrawal of the UN force would itself be a painful, bloody operation. Military forces on one side or the other would attack the departing blue helmets and try to seize their weapons. Women and children in the eastern enclaves might lie down in front of UN vehicles to keep them from moving out.

That is where President Clinton has to have profound concerns. The United States has no forces in Bosnia, but it has promised to send up to 20,000 soldiers to help in any UN force withdrawal. And Washington has told allies that it is sticking to that commitment. Therein lies the potential for a military, moral and political trauma for Mr. Clinton.

The U.S. military has a plan ready for intervention in Bosnia to help a UN withdrawal. It is called Opsplan 4104, and it is big. The estimated cost is $1 billion; trouble — inevitable trouble, I think — could make it more. And there would be American casualties.

America would be spending the money and lives to bring about what informed officials in Washington — and London and Paris — agree would be a disastrous outcome. No one pretends that anything would follow a UN withdrawal but accelerated inhumanity.

The alternative to withdrawal is to make the UN mission viable. The French government and the UN secretary-general, Boutros Boutros Ghali, have talked about various ways to do that by changing the mandate and the disposition of forces. But in the end there is only one way to viability: Be willing to call in NATO bombers against the aggressors.

General John Shalikashvili, chairman of the Joint Chiefs, makes the point in an interview to be published this Sunday in The New York Times Magazine: "Whenever we have been resolute [in Bosnia] — NATO particularly — we have been able to have our way. Whenever that was so, the Serbs read it very correctly and acted accordingly. And I am frustrated that we are often prevented from doing it, and lately more so than not."

Abandoning Sarajevo, a city of tolerance in a region of hatreds, would be a terrible symbol — a defeat for all that the West claims to stand for. It is hard to believe that Jacques Chirac would want his French presidency to begin with a declaration that Sarajevo is expendable.

But it is President Clinton who more than anyone can rally the West to avert this disaster. He wants to avoid entanglement in Bosnia, but that is just what he will get if he does not act now to stiffen the UN force and avoid a bloody withdrawal involving American troops. Humiliating retreats are not good political news for American presidents.

The New York Times.

No, the Only Solution Is a Compromise With the Bosnian Serbs

By Joel Shapiro and Gordon R. Thompson

WASHINGTON — With the war in the former Yugoslavia entering its fourth year, current international policy to resolve it is at a dead end. An alternative is needed.

Obsessed with the past, Muslims, Serbs and Croats repeatedly use yesterday's crimes as justification for today's violence. This ensures that the war will continue indefinitely.

Unwittingly, the international community has prolonged the war. The United Nations provides crucial humanitarian aid and prevents starvation, but it also provides protection that enables the Muslims and Serbs to continue fighting. The United States and Europe must force the warring leaders to face reality. Bosnia cannot be restored to the prewar status quo.

Speaking for ourselves and not for the Pentagon, we think that while refusing to reward Serbian aggression, the United States also gives the Bosnian government a sense that it supports a continuation of its battle.

The world community needs to move away from the failed plan of the five-nation "contact group" and its proposals for enlarging Muslim territory.

The Bosnian Serbs still have the overwhelming advantage in heavy weapons. They want to cut a deal that recognizes their victories but believe they must fight to keep what they have conquered. The Bosnian Muslims believe they are strong enough to retake territory. Each side overestimates its capabilities. And renewed fighting is sure to prolong the stalemate.

The United States must persuade the Bosnian government to accept the current confrontation lines as its new borders. This would involve such incentives as giving that government complete control of Sarajevo — including the hills from which the Serbs shell the city and its airport — and connecting it to the territory of the Muslim-Croat federation.

Since the Bosnian Croats already control the territory they want, they probably would agree to any reasonable settlement.

To ensure Serbian agreement, the Serbs might get the eastern Bosnian safe-haven enclaves of Zepa, Srebrenica and Gorazde.

The United States and its allies would have to guarantee the new borders and the survival of the Muslim-Croatian federation. After a treaty was signed, NATO troops — not UN "peacekeepers," whom all the warring factions treat with contempt — would have to protect this state.

NATO protection would have to be coupled with financial and other reconstruction aid to make the Bosnian state viable. Without aid the federation would surely collapse, with violence to follow.

As for the federation, the West must facilitate development of a multiparty and multiethnic society that includes Serbs and other minorities within its borders. The West would also have to press Croatia to succor the federation.

Bosnian Serbs would surely agree to this plan, if they could keep most of the land they have seized and if international sanctions were dropped.

The international community should allow the Bosnian Serbs to confederate with Serbia, just as it supports the confederation between the Muslim-Croatian federation and Croatia.

However, the Bosnian Serbs should not receive aid unless they show willingness to compromise on key issues. And even though it could complicate a settlement with the Bosnian Serbs, war crimes investigations and trials should continue unabated.

Would this shift in policy be just? No. The Serbian aggressors would keep most of their spoils.

The requirement to resettle Muslims from the eastern enclaves would amount to internationally assisted ethnic cleansing. This would be the price of peace and regional stability.

The alternative is ever more violence and revenge.

The writers are foreign affairs analysts on the Army staff in the Pentagon. They contributed this comment to The New York Times.

The War to Cure Cancer Isn't Being Won, So Emphasize Prevention

By Laurent H. Schwartz

PARIS — Cancer treatment is the most important failure of modern medicine.

Since 1981 in the United States the overall incidence of cancer has increased by 18 percent, and mortality by 7 percent. This gloomy trend is international.

In most Western countries, age-adjusted mortality rates have increased for brain and kidney cancers. The same goes for myeloma, non-Hodgkin's lymphoma and melanoma.

Today pancreatic gallbladder carcinoma and glioblastoma are lethal diseases. Survival from esophageal cancer does not exceed 10 percent, from lung cancer 15 percent.

Progress has been real, but limited mostly to malignancies arising during childhood and early adulthood.

For most common tumors, survival rates have increased slightly, but incidence has in many cases soared.

The death rate for breast cancer has been about stable. Earlier diagnosis and better treatment have been counterbalanced by an increasing number of newly diagnosed breast tumors. Today a European or American woman has a 1-in-11 chance of developing breast cancer during her life.

Surgery remains the key to survival, but less than 5 percent of pancreatic cancers and 30 percent of lung carcinomas are operable for cure.

Radiation is the second most important therapeutic tool. Side effects have almost disappeared thanks to a better understanding of normal tissue tolerance and the availability of more powerful linear accelerators.

Great hopes were placed in the discovery of anti-cancer drugs. The last major discovery, cisplatin, dates back 30 years; it has markedly improved the cure rate for testis cancer, the most common neoplasm among young men.

Since then, analogues that are less toxic but no more effective have been marketed. Taxol, sold by Bristol-Myers Squibb, is of real but limited value. Whether it can improve long-term survival is still an open question.

The economy confirms the failure of treatment. Cancer strikes one of every two Americans in his or her lifetime, and is the second-leading cause of death, yet anti-cancer agents account for less than 2 percent of all revenue of the pharmaceutical industry.

Immunotherapy is of no proven value, except perhaps in a small subset of patients with metastatic cancer of the kidney or melanoma.

Gene therapy is likely to follow the same path. Biology tells us both the diversity of tumor cells in one neoplasm and the multitude of genes involved in cancer. It appears unlikely that one or a few genes transfected into a few cancer cells will be able to reverse the malignant phenotype.

Major advances in the understanding of cancer have been made. Oncogenes are not specific of cancer; they simply make cell division possible. They are frequently expressed in normal dividing cells. There is no protein synthesized by a tumor that a normal cell cannot make.

This lack of specificity is one of the reasons of the failure of the "magic bullet."

We have underestimated the enemy. Cancer cells are both malignant and malicious.

They are clever. Use of chemotherapeutic drugs in the treatment of hematologic malignancies and solid tumors has been plagued by the emergence of resistant cells, either at initial presentation or at the time of relapse.

Some of the mechanisms underlying this clinical phenomenon have been studied using in vitro models, which has led to the characterization of genes capable of conferring resistance to chemotherapeutic drugs. Efforts to circumvent drug resistance have so far failed in most common solid tumors.

Acquired resistance to treatment is not limited to chemotherapy but affects hormonotherapy and even immunotherapy.

Faced with an enemy of this power and complexity, we must partially retreat. The focus of research should switch to prevention and early diagnosis.

Key questions have to be answered first. For instance, tar is responsible for most lung cancer. The amount of tar per cigarette was 35 milligrams 20 years ago; today it is less than 15 milligrams. The effect of such a large reduction is unknown. It is also unknown whether light cigarettes (less than 5 milligrams) are less dangerous. The impact of these questions on public health can be enormous.

Cancer rates vary by factors as high as 30 among countries, and fivefold within and between industrialized countries.

The fight against smoking and drinking should be amplified. Trials should assess the value of high-fiber diet; confirm (or refute) the value of tamoxifen in breast cancer prevention; assess the role of vaccinating against Epstein-Barr virus or hepatitis B in the fight against nasopharyngeal carcinoma and hepatoma.

The major breakthrough is likely to come first from imaging. The real progress of modern oncology has not been better treatment but earlier diagnosis.

It is the Pap smear that has saved most women from cervical carcinomas. It is mostly the mammograph that has checked the rise of breast cancer mortality. But today imaging is limited to one cubic centimeter. This represents more than a billion tumor cells.

Earlier diagnosis should lead to better cure rates before major progress in preventing cancer.

The writer, a physician and molecular biologist, is a senior staff member in the Department of Radiation Therapy at Tenon Hospital in Paris. He contributed this comment to the International Herald Tribune.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

Helms Is Grabbing for Foreign Policy

By Stephen S. Rosenfeld

WASHINGTON — A massive assault on the traditional way of making foreign policy is under way, with scarcely any public awareness or debate on the implications for the American position in the world.

One prong of the assault is the sweeping consolidation of international affairs agencies being imposed in a raw power play by the new Republican chairman of the Senate Foreign Relations Committee, Jesse Helms. The other is made up of the huge seven-year budget cuts now being served up in the Republican-controlled Congress.

The congressional Republicans have the bit in their teeth, and they are using it to enforce a design that shifts the balance of power between the branches radically to the side of Congress — a shift that a subsequent Republican president may yet come to regret. The majority party is blithely making changes without even a cursory examination of the possible consequences.

Some part of this transformation would have, and should have, taken place anyway. The ending of the Cold War dictated a broad review of how the United States prepares itself organizationally and financially to conduct international affairs.

Chairman Helms, however, did not pause to contribute to, or wait for, such a broad review. Nor did he pay any particular attention to the House Republicans' "Contract With America." He simply put the pedal to the metal on the usually eye-glazing subject of government organization, and the budget people soon leaped in on their issue.

The result is that by the twin instruments of the structure of the bureaucracy and the shape of the budget, items that much of the foreign policy crowd customarily leaves to a few specialists, the Republican Congress is putting itself in a position to exercise great and continuing influence.

In failing to get ready politically for this double whammy, the Clinton administration made an awful tactical error. Had a political change of this magnitude been made in an important foreign country without the United States tracking it closely all the way, Congress would be grilling the State Department and demanding to know why it had dropped the ball.

The way I get it, Secretary of State Warren Christopher started to think last year of how to roll with the evident international change and the expected electoral change. He suggested as one way to get ahead of the curve a look at consolidation of the foreign aid, arms control and information agencies with the State Department.

Apparently, he never actually advocated such a consolidation. Nor did Vice President Al Gore, head of "reinventing government." But Christopher aides started aggressively running with the consolidation option, and the secretary was slow to rein them in. This is what let Mr. Helms claim that Mr. Christopher favored this course — a false but devastating claim that the secretary's repeated denials have been unable to overcome.

Fearing for their lives, the agencies about to be swallowed started defending themselves on the street, insisting, with much merit, that they were already on a self-directed road to redefining and restructuring themselves for the new day.

The arms control agency, for one, is using the recent extension of the Nuclear Nonproliferation Treaty as Exhibit A of its relevance and vitality.

But Mr. Helms has deflected these appeals, depicting them simply as self-serving attempts to preserve bureaucratic turf.

The consolidation of agencies now being prepared reflects Mr. Helms's notions of both the means and ends of policy. The administration and its congressional supporters have had only a modest input. An effort by the Democrat Paul Sarbanes to cushion the huge coming impact on the Agency for International Development fell short this week on a party-line vote.

Meanwhile, immense whacks are being taken out of the international affairs budget. The State Department, for instance, stands to lose another 100 posts in what could be a 40 percent real reduction over the next seven years. Foreign aid and information are to be gravely impaired as tools of American diplomacy.

What this is about goes far beyond boxes on a chart and numbers on a page. It goes to the political and bureaucratic resources that the United States will have available to run a foreign policy, and to the kind and degree of control that a president will be able to exercise over this realm.

You can debate "policy" until the sun goes down, and conduct learned seminars on where the United States should position itself on the spectrum of engagement and disengagement. But all that is so much chatter if the president does not have on hand the means to perform his or her constitutional policy-setting role.

The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1895: British Challenge

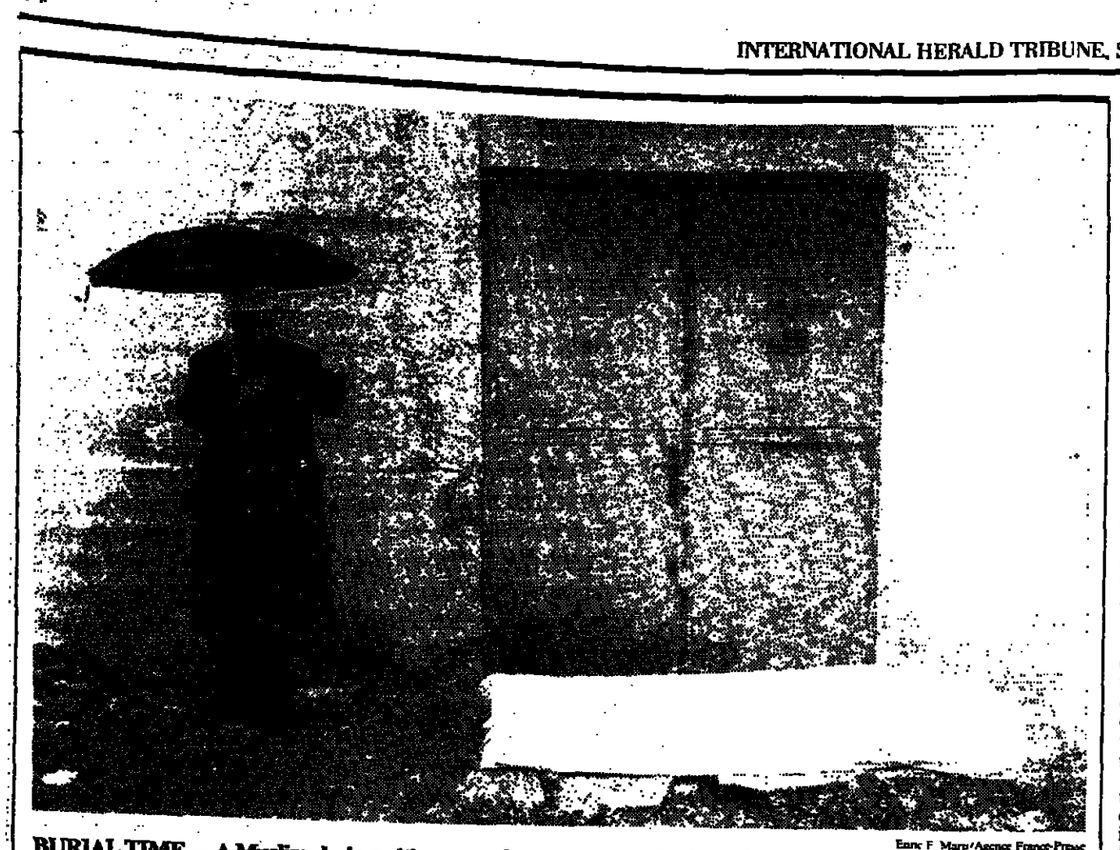
NEW YORK — A despatch purporting to emanate from Managua was published in New York this morning [May 20] in which it was stated that Rear-Admiral Stephenson and several of his chief officers openly declared, both before and after their occupation of Corinto, that their real object over and above carrying out their instructions respecting the collection of the indemnity from Nicaragua was to practically and definitely test what is known as the Monroe doctrine and in that way to dispose of it once for all.

1920: German Censors

BERLIN — The German Ministry of Finance is not only opening outbound foreign mail, but has several hundred censors opening domestic mail, looking for evidence of violation of the tax laws. Most of these censors are officers taken over from war-time censorship and trained in the search of letters for political and not financial information. The "Morgenpost" brings out also the discovery that there is a telephone censorship in Berlin exactly as it was during the war and exercised by the identical officers.

1945: Tito Accused

ROME — Field Marshal Sir Harold Alexander, Supreme Allied Commander in the Mediterranean, charged Marshal Tito today [May 19] with the apparent intention to establish claims in nearly eastern Italy and southern Austria by force of arms which are "all too reminiscent of Hitler, Mussolini and Japan." The Allied commander disclosed that efforts to "come to a friendly agreement" with the Yugoslav leader have failed.



Enric F. Marti/Agence France-Presse

BURIAL TIME — A Muslim cleric, waiting to conduct a funeral on Friday at Sarajevo's military cemetery, checked his watch beside the body of a Bosnian Army soldier, a victim of the increased fighting in the Bosnian capital.

Alexander Godunov, Dancer, Is Dead at 45

New York Times Service

NEW YORK — Alexander Godunov, 45, the swashbuckling Russian ballet dancer and movie actor, was found dead Thursday at his home in West Hollywood, California.

The police said that paramedics called to Mr. Godunov's home found him dead and that his death was described by his physician as of natural causes.

Tall and dramatic, with long blond hair that blew behind him during his soaring jumps and whiplash turns, Mr. Godunov was an instant star wherever he danced. He was not a virtuosic dancer, although he was capable of stunning tricks.

He joined Moscow's Bolshoi Ballet in 1971, as its youngest principal dancer. The legendary prima ballerina Maya Plisetskaya chose him to be her partner soon after.

In August 1979, Mr. Godunov defected in New York while on tour with the Bolshoi. This was front-page news around the world and became even bigger news a few days later when Lyudmila Vlasova, the Bolshoi dancer to whom he was married, tried to return to the Soviet Union. Only after an airport standoff of many hours was she able to convince U.S. authorities that she was not returning under duress.

A few months after his defection, Mr. Godunov joined American Ballet Theater. He performed with it until 1982. He was then the companion of the actress Jacqueline Bisset, and he embarked on his own film career after a short tour with an ensemble called Godunov & Stars.

Mr. Godunov's first movie role was in "Witness," with Harrison Ford and Kelly McGillis, in 1985. In a review in The New York Times, Vincent Canby described Mr. Godunov, who played an Amish farmer, as the film's "most riveting presence."

But he failed to have a similar impact in his other movies, among them "Die Hard."

Elizabeth Montgomery, 57, Actress Who Starred in 'Bewitched' Sitcom

NEW YORK (NYT) — Elizabeth Montgomery, 57, the pert actress who enchanted television audiences as the star of the long-running comedy series "Bewitched," died Thursday at her home in Los Angeles.

Ms. Montgomery underwent surgery in April for the removal of what was characterized as a small malignant tumor. Her family would not disclose further details.

"Bewitched," a top-rated situation comedy, ran from 1964 to 1972. Its green-eyed star played Samantha, a witch and the wife of an advertising executive who tried to suppress her supernatural talents yet often resorted to sorcery to solve problems. Ms. Montgomery later had a successful career starring in made-for-television movies.

Henri Laborit, 80, French Scientist Who Developed Early Tranquilizers

PARIS (Reuters) — Henri Laborit, 80, a French neurobiologist and philosopher whose studies of animal responses to explain human behavior were popularized in an award-winning 1980 film, died in Paris on Thursday, his family said.

Mr. Laborit, born in French Indochina, earned scientific recognition for his work on tranquilizers. His studies of human behavior reached a broad audience in Alain Resnais's film "Mon Oncle d'Amérique," in which he used rats to illustrate human responses. The film won the Golden Palm award at the Cannes festival.

Trained as a brain surgeon, Mr. Laborit developed some of the first tranquilizers in the 1950s.

Thai Elections Set After a Key Faction Deserts Coalition

The Associated Press

BANGKOK — Prime Minister Chuan Leekpai of Thailand dissolved the lower house of Parliament on Friday rather than face a no-confidence vote he was sure to lose. He called for elections to be held July 2.

Mr. Chuan made the move after a key party abandoned his coalition to protest a land scandal in which Mr. Chuan's party has been accused of handing over land meant for poor farmers to wealthy individuals.

Mr. Chuan had hoped to become the first elected prime minister to finish his term of office. He was Thailand's longest-serving elected prime minister, having completed 32 months of a four-year term.

The last elected prime minister, Chatichai Choonhavan, was overthrown by a military coup in 1991. Mr. Chuan was swept into power after demonstrations toppled the military junta in 1992.

Mr. Chuan said he and his remaining coalition partners could find no acceptable way to retain power.

"Therefore," he said, "the best way is to return power to the people and let them consider what is best."

Mr. Chuan's coalition collapsed after its third-largest partner, Righteous Force (Palang Dharma), announced early Friday that it would not support the government in a no-confidence vote scheduled later in the day.

A Palang Dharma spokesman said Mr. Chuan's party, the Democrats, had failed to clear up suspicions over the land-reform scandal.

Party ministers who were involved in the scandal had been dismissed, but that failed to satisfy the opposition and the public.

Palang Dharma is led by Chamlong Srimuang, who played a major role in the demonstrations of 1992 that toppled the military regime that preceded Mr. Chuan's elected government.

A spokesman for the prime minister said Mr. Chuan had presented King Bhumibol Adulyadej with a decree dissolving Parliament, as required by law.

Mr. Chuan was to meet later with representatives of the parties remaining in the coalition to work out a caretaker government until the elections are held.

Mr. Chuan will stay in office until his successor is chosen.

BRIEFLY ASIA

India's Congress Party Breaks Up Over Opposition to Rao Leadership

NEW DELHI — India's governing Congress (I) Party split on Friday as opponents of Prime Minister P. V. Narasimha Rao named a rival leader of the country's oldest political party.

Narain Dutt Tiwari, 71, a former chief minister of the northern state of Uttar Pradesh, was appointed president of a dissident faction of the ruling party dubbed the Indian National Congress. Mr. Tiwari's nomination as party president was accepted by a show of hands at a rally here of nearly 30,000 anti-Rao Congress members.

Speaker after speaker at the rally assailed Mr. Rao, the Congress president, for a series of defeats in recent state polls and said he was incapable of leading the 109-year-old party into general elections next year. A four-month rebellion against the 73-year-old prime minister came to a head at the rally, which was called to bring about a change in party leadership.

"Narasimha Rao is not our party president as of today," said Satyanarayan Rao, a Congress leader from Andhra Pradesh, Mr. Rao's home state, to applause from the crowd. Several speakers called on Sonia Gandhi, the widow of former Prime Minister Rajiv Gandhi, to take over as Congress president. *(AFP)*

More Mystery Balloons in Japan

TOKYO — At least 10 mysterious balloons landed over wide areas in western Japan Friday, the second such incident in less than a week, the police said. The balloons were recovered across five prefectures, including Hiroshima. There were no reports of injuries.

Last Saturday, about 30 balloons measuring about 6 meters (20 feet) in length and 2 meters in diameter were recovered in western and central Japan. Nobuyuki Kono, a spokesman of the Hiroshima Prefectural Police, said residents in the province found three balloons that were similar to those recovered last Saturday.

The previous balloons had 15-centimeter (6-inch) plastic tubes hanging from them bearing the words "on," "off" and "test" in English, police officials said. The tubes were believed to be some kind of apparatus for weather observation, they said, adding that police scientists were still investigating. There were similar incidents in May last year in the same region, when dozens of vinyl balloons landed after being released on the Korean Peninsula, the spokesman said. *(AP)*

Kashmir Protesters Torch a Bank

SRINAGAR, India — Protesters in Kashmir's summer capital burned down a bank Friday and taunted police as they returned from prayers on the second Muslim day of worship since the razing of a shrine to the state's patron saint.

Police said there were five brief demonstrations after prayers ended at noon during a relaxation of a daylong curfew, which was reimposed by Indian paramilitary troops. Residents of wooden houseboats on Dal Lake, which winds through the city of nearly one million, were streaming out of a mosque on the way home when a demonstration erupted.

Groups of protesters threw stones and shouted abuse at the military. They dragged tires into the streets and set them on fire, blocking the roads before the police swiftly dispersed them. Elsewhere in Srinagar, protesters burned down a building housing the State Bank of India. *(Reuters)*

For the Record

Muchtar Pakpahan, head of Indonesia's first independent labor union to challenge the government on worker rights, was allowed to leave jail Friday, the head of the Jakarta Legal Aid Institute said. He has been serving a four-year sentence for inciting workers to riot. *(Reuters)*

More than 40 Sri Lankan Tamil rebels and soldiers have been killed in clashes in three days, the military said on Friday. The rebels attacked a military camp in the north on Friday, killing seven soldiers. *(Reuters)*

YELTSIN: *Bid for Harmony Flops*

Continued from Page 1

Russia's Choice faction in Parliament, speaking of Mr. Yavlinski. "He is a betrayer. And I think that he has discredited himself for good."

While the democrats are beating each other to death, their opponents — nationalist and Communist — have done well in local elections around the country. Last week the Communist Party won another highly watched election in a district near Moscow, with a well-known cosmonaut, Gherman S. Titov.

Those local victories, and the national fears they inspire, are the central reason that Mr. Chernomyrdin — with the blessing of the president — created a new party he calls Russia Is Our Home, and which most liberal commentators have already renamed Russia Is Their Home. It is a party of "power," controlled by bankers and apparatchiks from the old clans of the Communist Party and local political administrations.

But the left wing of the new bloc has been attacked as heartily as has the right wing. There are many politicians here who feel that Russian voters just will not vote for anyone they think represents the status quo.

Many, particularly the liberal people who work at newspapers, have been unrelentingly cynical about the chance that a party headed by Mr. Chernomyrdin — who is closely associated with Mr. Yeltsin after all — could win any election.

They cite the general bitterness over the war in Chechnya, the country's endemic crime and corruption, the lack of a coherent legal system and the still-faltering economic reforms.

But building a party system is not easy in a country that has had only one free presidential election in its 1,000-year history. There are those who say the very existence of parties is enough to prove that Russia is moving vigorously along the road to reform.

"I don't think it is all that hard to make a case that this maneuvering is a sign that parties and democracy are alive and well," said Sarah Mendelson, a program officer at the National Democratic Institute in Moscow, which has tried to help Russia develop a sensible electoral system.

"If you want to measure the progress of democracy by asking, 'Are there parties and are people active?', then you have progress," she said. "On the other hand, you could look at the creation of these new parties simply as window dressing."

But Mr. Yeltsin, who ordered the invasion of the breakaway region of Chechnya, does not often yield to window dressing.

BALANCE: *Congress Tries Again to Conquer Deficit*

Continued from Page 1

economic assumptions that characterized many of the previous measures that promised a balanced budget.

Even so, for those who believe that the country's economic future rests on a balanced budget, neither the history nor the politics of the issue is encouraging. It is important to remember that whatever gets enacted this year can always be changed by the next Congress or the ones that follow.

The Gramm-Rudman-Hollings legislation in 1985 set specific deficit levels for each of the next five years and required automatic cuts in government programs across the board — a process known as sequestration — if the levels were exceeded.

Partly because the economy was never as strong as policymakers predicted, partly because the savings and loan bailout was so expensive, and partly because politicians lacked the necessary commitment, the proscribed deficit limit was never met in any year. No meaningful sequestration ever occurred.

In 1987, facing the seemingly impossible task of lowering the deficit to $108 billion in the fiscal year 1988, Congress changed the law. New annual deficit ceilings were set, and the date for budget balance was put off until 1993.

The deficit in the fiscal year 1988, incidentally, turned out to be $155 billion.

In 1990, with the economy in recession and the projected deficit so far above what the law required that sequestration would have proved crippling, Congress abandoned Gramm-Rudman-Hollings and adopted a new scheme of tax increases and budget reductions. The deficit in the fiscal year 1991, supposed to be $64 billion under the old law, was $269 billion.

The measures agreed to by President George Bush and Congress in 1990 and similar ones approved by President Bill Clinton and Congress in 1993 kept the annual deficits substantially lower than they would have been otherwise.

But these measures were intended to balance the budget. And largely because of the growth in health costs, the deficits will soar by the end of the decade without further belt-tightening.

MARKET: *Euphoria Fades*

Continued from Page 1

sentiment through Investors Intelligence, a Larchmont, New York, publication that reports weekly on the number of advisers who are bullish or bearish.

On the New York Stock Exchange, 1,324 issues declined Friday, far outpacing the 885 stocks that gained on the day.

Beverage, drug and tobacco shares rallied amid confidence that they will produce steady earnings growth even if the economy slows.

Callaway Golf Co. was the most active issue, with 66,879 shares trading hands on television reports that American Brands Inc. might buy the company. Callaway Golf shares closed at $13.875, up $1.625.

Also among the most active stocks were Merck, up 62.5 cents to $41.1875; Wal-Mart, up 25 cents to $24.75, and Coca-Cola, up $1.125 to $58.375.

ARREST: *U.S. Holds Fugitive Wanted in Germany*

Continued from Page 1

particularly active in Leipzig, where he had 41 of his 121 properties. Rental income, and compliant banks, provided the money needed to keep buying and renovating buildings.

Mr. Schneider developed a lifestyle befitting his nouveau riche status. He moved into a big 19th-century villa in the hills above Frankfurt, became a patron of young artists, hobnobbed with German politicians and traveled by Lear jet to his vacation home in the Canary Islands. Shortly before disappearing, he described himself to a reporter as a hard-working family man who "lived the 10 Commandments."

But the deep recession that besieged Germany beginning in 1991 brought Mr. Schneider down. Big city rents, which had skyrocketed after German unification in 1990, plummeted 20 to 30 percent. By last spring the operating costs of Mr. Schneider's empire had reached $360 million a year, compared to only $17 million in income from rental contracts, according to the court-appointed receiver who took over his bankrupt company.

New debt was used to hide old debt; prosecutors charge that he forged rental contracts to make banks believe his buildings were bringing in much more income than they actually were.

Mr. Schneider charged Deutsche Bank with ruthlessly yanking its support from his enterprises and bringing on what became Germany's most dramatic postwar property collapse. A Deutsche Bank executive angrily dismissed the charge and accused him of deceiving his creditors with "criminal energy."

IRAN: *A Glimpse Into Nuclear Site*

Continued from Page 1

trance and at least one antiaircraft gun is on the site, the entire complex can easily be seen from the villages and farms nearby.

With 2,000 housing units, a subsidized food shop, hospital, barber shop, elementary school, bakery, bank, laundry, swimming pools, playground, movie theater and vast dining halls capable of serving 4,000 people, the complex resembles a small government-run village.

Over the years, the authorities have tried to preserve the site. They have covered motor shafts and rotary blades with tar-based paint to lessen the corrosive affects of the humid salty air. To prevent salt from damaging the carpets at a sophisticated information center, visitors are required to remove their shoes at the entrance.

Since the revolution, the complex has been home to 300 to 400 Iranians who maintain it, and it now houses an estimated 150 Russian engineers and inspectors who have arrived in recent months. The Iranians say 500 Russians eventually will be based on the site; the Russians say they will send 3,000.

Exactly where the Russians are is not clear; there were none to be seen. The ranking Russian official at the site declined a request for an interview, and the Russians have not allowed even official Iranian guests to photograph Russians at the site.

The Russians are said to live in a separate area and report to their own director. They have imported their own cook and will open their own primary school next year.

People in Bushehr, about 25 kilometers away, say Russians come by bus to do their shopping every Thursday.

Some Russians have had problems adjusting to the rules of an Islamic republic. The few who have been found with women or alcohol have been sent home, according to officials at the complex. Russian women in bathing suits have tried — without success — to sneak into the Gulf for a swim.

By all accounts, the Russians will have an extraordinary job ahead of them.

Iraqi warplanes hit the site at least twice in the latter stages of the Iran-Iraq War in the 1980s, damaging one reactor so badly that the structure has been sealed and its protective dome of steel and concrete covered over with sheet metal.

The Germans withheld key blueprints and technical documents relating to the site. That will make it more difficult to fit 1,000-megawatt Russian-made reactors and turbines into a damaged structure intended for German-designed 1,200-megawatt reactors.

If the Bushehr site causes anxiety outside Iran, it may have little to do with the possible spread of bomb-making know-how and more to do with the issue of nuclear safety.

Already there are conflicting analyses of what structures Russia will be able to salvage. Iranian officials insist the metal dome and the partly completed concrete dome that surrounds it can be salvaged. Some Russian officials say the work may be much more extensive.

Sergei Tretyakov, Moscow's ambassador to Iran, said that Russia would have to lay a new foundation for the reactor; Mr. Khabir said he believed the existing foundation to be sound.

The Russians also question whether Iran, with its worsening economy, will be able to pay for the project.

"It's a cash deal, a commercial deal, and they'll have to pay in installments in advance," Mr. Tretyakov said. "If they pay, we will go on; if they don't, we'll stop."

BOOKS

SHOOT OUT THE LIGHTS: The Amazing, Improbable, Exhilarating Saga of the 1969-70 New York Knicks

By Bob Spitz. 306 pages. $25. Harcourt Brace.

Reviewed by Christopher Lehmann-Haupt

TWENTY-FIVE years ago, the New York Knickerbockers basketball team was very different from today's.

Those Knicks made their fans feel good even when they lost, although they lost only 29 times during the entire 1969-70 season and their 72 wins earned them the team's first championship, after 24 years of trying.

Those Knicks shared the ball unselfishly, passed it dazzlingly, hit the open man, as the cliche went. And those Knicks were smart.

In fact, for a while they were thought to be too smart, which is where the story opens in Bob Spitz's bouncy new book.

We enter the head of Eddie Donovan, the Knicks' general manager, as he travels home from Madison Square Garden one losing day in December 1968 and tries to figure out why his carefully put-together combination of Walt Bellamy, Willis Reed, Bill Bradley, Dick Barnett, Walt Frazier and Cazzie Russell hasn't been winning. Could these guys be too smart as individuals for good team play?

Then, as Donovan keeps mulling over the problem for pages, the idea occurs to him to move Reed from the position of power forward, where he has been playing, to center, his natural position, where Bellamy has been playing.

That deal proved to be the turning point for those Knicks. Of course, as Spitz's narrative goes on to remind us, it didn't bring a championship right away. Although the Knicks started winning and eliminated Baltimore in the first round of the 1968-69 playoffs, in the next round they could not handle a Celtic team led by the aging Bill Russell, especially after Frazier got hurt.

But Russell retired after the season ended, along with his teammate Sam Jones. The Knicks started off the next season by winning 23 of their first 24 games. They ended up first in the Eastern Division, survived a ferocious seven-game series against Baltimore in the first round of the playoffs and easily beat a Milwaukee team led by the rookie Lew Alcindor (later Kareem Abdul Jabbar) to become the Eastern Division champions. In the finals they faced the Los Angeles Lakers, which starred Jerry West, Elgin Baylor and Wilt Chamberlain.

Spitz, who has written books on the first Woodstock festival and on Bob Dylan, recounts the Knicks' great season from various points of view, collective and individual. Every now and then, his prose overheats.

Yet Spitz's book is rescued by the memories he recalls and by the fresh details he unearths. Most dramatic of all is Spitz's account of the championship series against the Lakers. One remembers it best for the seventh game, played on May 8, in which a severely injured Reed helped to psych out the Lakers by limping onto the court and playing part of the game's first half.

But in Spitz's report, the series was more a war of attrition than a battle of wits.

Of course, memory always makes the past seem better than the present. But Spitz's epigraph gauges the true difference between now and then. In it, he quotes an article from The New York Times last year about a wild over-the-head shot John Starks had successfully made with his back to the basket.

"On their halftime television show," the article reports, "the announcer Al Trautwig asked Walt Frazier, the former Knick star guard and now an analyst, 'Clyde, did you ever make a shot like that?'

'Never had to,' said Frazier. 'I was never out of control.' "

Christopher Lehmann-Haupt is on the staff of The New York Times.

Galleries Eclipse Auctions at Art Fair

International Herald Tribune

SOUREN MELIKIAN

NEW YORK — If any doubts were left that the dealers' best hope against the formidable auction house onslaught lies in art fairs, they were swept away as the International Fine Art Fair opened its doors at the Armory on May 11 for a five-day art selling binge.

With the fair only in its second year and already by far the best in the world for paintings and drawings down to the early 1900s, the top brass had all come from Europe and North America.

Martin Summers and Desmond Corcoran, the intensely private partners who run the Lefèvre Gallery, had made the trip from London. So had Tim Bathurst of the equally discreet Artemis group, the reticent Julian Agnew of Agnew's, London's oldest firm, and all the others, from Spink's to Harari and Johns, to Kate Ganz, who had not bothered the year before.

The French were just as keen. The galeries Huguette Berès, Brame & Lorenceau and Bruno de Bayser, had made the effort, even though theirs are household names in the United States after decades of dealing. No one can afford to stay away from the battlefield.

To counter the auction house offensive, dealers had tried to project the image of another world, where great art is available at very different prices from the Alice-in-Wonderland numbers spelled out on the auction scene.

Le Fèvre displayed four Corots, that towering figure of 19th-century art that has mysteriously escaped the attentions of speculators. It started with a view of Lake Cuomo and the town in the distance done about 1834 when the young artist was breaking up the canon of neoclassicism, and ended with a scene painted at Ecouen near Paris around 1870.

The Ecouen view is almost Impressionist. Only the atmosphere of dark solitude on a winter day conveyed by the lonely figure of a peasant woman trudging between houses gives it a gravity that belongs to the world of the Le Nain brothers and Rembrandt. The price tag, $225,000, bore no relationship to those seen a week earlier at auction.

Neither did the $370,000 at which Courbet's seaside view dated 1866 was offered by Brame & Lorenceau. A masterpiece in shades of beige and blue, the Courbet has never been shown before, nor even reproduced.

Throughout, priority seemed to have been given to keep prices within manageable limits, even where the most glamorous names are concerned. On Thomas Gibson's stand, a very fine Pre-Impressionist landscape, "La Plage de Sainte-Adresse," painted in 1867 by Monet, was offered at $750,000, transformed from the grimy appearance it had at Christie's not so long ago when it found no buyer. Philippe Cazeau and Jacques de la Béraudière of Paris somehow managed to put up a beautiful and rare Fauve landscape of 1906 by Raoul Dufy at $1.6 million, well below the auction record levels of past years.

Cazeau insists his is more beautiful than the variant in the Whitney Museum.

Berès of Paris made a startling effort to come up with absolute gems under $200,000, from one of Theodore Rousseau's most subtly painted landscapes at $77,000, to Pierre Bonnard's "Promenade en Barque", an almost abstract layered landscape of 1900 at $160,000.

For some, the show promptly paid off. The fair's roaring success in Impressionist and 20th-century art was the display put together by Waring Hopkins and Alain Thomas of Paris in association with Marc de Montebello, whose star is slowly rising on the New York horizon.

A stream of sales started on the opening night on a prankish note — a Parisian collector felt unable to resist the $42,000 sketch of the clown Biahna Duhamel done by Vuillard in 1890 in almost Surrealist strokes of swirling white gouache. A day later, sales ranged from Pissarro's "Peasants Reaping," an 1880 gouache sold to a Zurich collector for about $200,000, to Norbert Goeneutte's portrait of a woman, neither entirely Academic nor Impressionist, which "an actress" bought at roughly the same price.

On the last day, May 16, Hopkins told me in his apologetic manner that they had sold 19 paintings or drawings. On May 17, the telephone rang: "Les Pelerins d'Emmaus," a Nabi painting executed by Maurice Denis in 1894, had just been sold for "around $300,000," and also a Pointilliste landscape of 1892 by Achille Laugé ($30,000). And, oh yes, the portrait of Paule Gobillard (a stunning pastel of 1900) by Odilon Redon was "under serious consideration."

THE fallout will take longer to assess for some other galleries, most of all those dealing in Old Masters. It is a slower world. There were a few lovely drawings — the red chalk sketch of a horse walking by Naldini brought from Munich by Katrin Bellinger, the likeness of a little girl in black, red and white chalk done by Ubaldo Gandolfi, probably in the 1750s, on the stand of Flavia Ormond of London.

Most revealing of the need to go out and meet clients was the effort made by young dealers. Martin Moeller of Hamburg, with limited cash and a good eye, had bought from two separate sources two landscapes in black chalk by the 18th-century artist Michel-Ange Challe. The view of ancient ruins and the Arch of Septimus Severus, obviously from the same sketchbook, did not seem wildly priced at $8,500 each.

Greater discoveries were made in paintings. Worth Bracken, owner of the New York gallery M. Roy Fischer, only three years into the art business, was showing a rare panel half-way between Byzantine icon painting and early Italian Primitive painting.

Executed around 1280 by the Master of Magdalen, the astonishing work, as yet barely known, appears to have surfaced in Italy in the late 1980s.

Almost as rare was the portrait of a girl by Juan Bautista Martínez del Mazo, who married the daughter of Velázquez in 1634.

Mazo spent much time directing workshop copies of the master's pictures (one, in the Wallace Collection in London, fooled specialists until recently). In his own work, he had a distinctive, highly sensitive touch. The head is fully finished, the bust broadly sketched. At $60,000, it looked like a giveaway measured by the standards of 19th-century art.

It shares a kind of kinship with the study for two characters in "The Wedding at Cana" completed in 1775 by Gaetano Gandolfi, brother of Obaldo. The double portrait, bold in its layout, seems to burst out of its edges. It was discovered by another young dealer, Emmanuel Moatti of Paris, whose price tag of $110,000 did not seem outrageous either.

The success story here would appear to be that of Bob Haboldt of New York and Paris. A $240,000 portrait by the rare Johannes Moreelse (1602-1634), who painted for about a decade, promptly left his stand, followed by others.

As the fair was closing, Nicolas Joly of the Galerie Mikaëloff, Paris, gleefully recounted how he had just sold a study in black and red chalk for "Molé avec les factieux de la Fronde," completed in 1779 by François-André Vincent.

The $26,000 sketch, with its characters in 17th-century garb, must be one of the earliest examples of French Revivalism, heralding the art of the 1820s. An American connoisseur who had seen it in New York had just called from Paris, on his way to a spring vacation, to say he would have it. For Old Masters, this is just a beginning. The Fine Art Fair is on track.

M. Roy Fisher Fine Arts

"Portrait of a Young Girl" by Juan Bautista Martinez del Mazo.

C. Patrick Herzog/AFP

Souleymane Cissé's "Waati" examines apartheid: actors Ayano Asahina, Hiroyuki Sanada and Yuraki Nishida pose at presentation of the Japanese film "Sharaku."

A Mad Scientist and His Giant Tinker-toy

By Joan Dupont
International Herald Tribune

CANNES — It is customary at Cannes screenings for the Anglo-American and French contingent to sit at opposite ends of the theater: they find each other's cinema impenetrable and do not laugh at each other's jokes. But Jean-Pierre Jeunet and Marc Caro's "La Cité des Enfants Perdus," which opened the competition, created a shrug of disappointment that rippled across the room. Nothing violent, just a feeling that talent and ingenuity had been tossed into a giant postmodern tinker-toy.

Caro and Jeunet, who come from the world of music videos and commercials, have been planning this film since the start of their collaboration. They cite their sources as multiple, from Perrault and Hugo, to the engravings of Gustave Doré, with a salute to Méliès. "Delicatessen" (1991) was a surprise, a fresh assortment of low-tech jokes that linked household catastrophes into a giant Rube Goldberg cartoon.

CANNES FESTIVAL

"La Cité des Enfants Perdus," starring brilliant digital effects and a cast of monsters, is a costly venture and takes itself more seriously: the setting is a dismal underworld port, a laboratory for a mad scientist and his freak accomplices.

The plot, inspired by a mix of Dickens and Jules Verne, centers on master-mind Krank, played with evil finesse by Daniel Emilfork. His laboratory workers include a dwarf (Mireille Mosse), her six identical clone sons (Dominique Pinon times six) and their maker, Irvin, who is not really a character, but a pulsating brain who sits in an aquarium and wafts out sententious warnings in the seductive voice of Jean-Louis Trintignant. When Irvin gets on Krank's nerves, he tosses an aspirin into the fishbowl. Krank needs children for his project; he feeds on their dreams and sends out Cyclops with X-ray vision to kidnap fresh victims. On the catwalks and streets of the City, Siamese twin weird sisters, (Geneviève Brunet and Odile Malet), rule a gang of orphan delinquents. Miette (Judith Vittet), chief pickpocket superbrat and the only pretty face in the movie, meets up with a strong man named One (Ron Pearlman, magnificently dressed by Jean-Paul Gaultier, who did the costumes and influenced the look of the film, down to Pearlman's haircut).

This romantic, slightly incestuous couple — it's all right because he's an innocent — set out on a crusade to save the children. But who cares with all that kinky hardware to look at? The brilliant special effects hog the action and fog the story line.

Souleymane Cissé's "Le Temps" ("Waati") is also a French production that took years in the making. Shot in South Africa, the Ivory Coast, Namibia and Mali, the filmmaker's pan-African vision is focused on the story of Nandi, a young girl (Lineo Tsolo) fearless as the lion that her father carves for her. While she is on the beach with her father and brother, a Boer mounted policeman attacks; Nandi responds with her own violence. She escapes South Africa through an underground network and goes to the Ivory Coast, where she studies.

Cissé has fashioned the film around a series of rituals, starting with a story that the grandmother tells in front of the fire, a fable on the animal kingdom in which the lion rules and the weak are eaten by the strong. The first ritual occurs when the Boer landlordon their farm orders his son to whip Nandi's father. When the white children object, their mother answers that this is normal since their great- grandparents bought the land and everything that lives on it: humans, animals, and trees.

Nandi moves on to help the Tuareg during a catastrophic storm in the desert and the last part of the movie takes place back in South Africa. The director's tone is never vehement, but so much is packed into the film that the showing is overshadowed by the telling.

The director searched from South to West Africa as well as in France for an actress to play Nandi across Africa and found an Antillaise who proved a disappointment. During a period when the shooting was interrupted, he remembered a coiffeuse working on the set and tried her out: Lineo Tsolo makes an intense Nandi.

The film had no less than three producers, but Cissé ended up forfeiting his director's salary, telling his producers he would take things in hand. This, he says, is the way he sees Africa, taking its destiny in hand.

Auctions in France

FRENCH AUCTION SCENE POISED ON THE BRINK OF CHANGE

Deregulation could increase sales at the upper end of the art market.

Endowed with a status that dates back to a royal decree of 1552 – that of "ministerial officers" sworn in by the minister of justice after they have passed a qualifying examination – Paris's 100 auctioneers, or *commissaires-priseurs*, have so far resisted war, foreign invasion and even the Common Market. But the historic and strictly noncommercial status of French auctioneers (unlike their counterparts elsewhere in Europe, they may not buy in order to sell) is bound to change in the very near future.

LOUDMER

This artifact from the Congo was sold by the Loudmer firm of commissaires-priseurs in Paris.

French exams

As things stand, French legislation obligates individual foreigners to pass the same qualifying exams as their French colleagues if they wish to practice in France and forbids foreign firms from investing in French auctioneering companies. Sotheby's, which uses offices in France to prospect for goods to sell abroad but is still barred from holding sales in France, has taken legal action with the European Commission in Brussels, after the French government was informed that the exclusion of foreign auctioneers was contrary to European Union law.

Officialdom in France has been divided. The Ministry of Justice has long dragged its heels over letting foreign auctioneers into the country, but last year Culture Minister Jacques Toubon said that he supported the idea of a shake-up in the auction scene in France and the arrival of the big British houses. The days of royal privilege would now appear to be numbered.

Efforts to federate Paris's auctioneers into a true collective, as opposed to the existing umbrella organization of Drouot – to enable them to compete with Sotheby's and Christie's – have been going on for over a year, on the initiative of Joël-Marie Millon, the chairman of Drouot and an auctioneer himself.

Despite his commitment to modernizing the profession, however, the city's auctioneers have proved unwilling to sacrifice their comfortable independence, and progress has been laborious.

Plans to permit outside capital investment in French auctioneering firms have also proved far more problematic and drawn-out than first expected.

A handful of the bigger and more dynamic commissaires-priseurs in Paris, including Jacques Tajan, Guy Loudmer and Jean-Louis Picard, are actually eager to see Sotheby's and Christie's operating in Paris. They believe that France's art market is being preyed upon by Sotheby's and Christie's, which already export the country's best objects for sale abroad. Most gallery owners, too, would be delighted to see the French art trade stimulated by a livelier auction scene.

A striking recent example of the sort of artwork that all too often leaves France nowadays to be sold abroad was Toulouse-Lautrec's "Au Lit: Le Baiser" (1892). A tender bordello scene depicting two prostitutes in bed, it was put up for sale by Sotheby's in New York on May 9 on behalf of Maurice Rheims, member of the Académie Française and one of the country's foremost commissaires-priseurs between 1935 and 1972. Estimated to be worth between $5 million and $6 million, the painting, ironically, failed to sell.

Large sales volume

For the time being, France's 440 or so auctioneers work within nine regional chambers. Paris, which represents over 40 percent of sales in terms of value, has its own chamber and centralizes its sales in the Drouot salesrooms near the old Opéra. Rebuilt in 1980, the Hôtel Drouot accommodates an average of 5,000 visitors a day, mainly dealers, who come to view and bid at sales ranging in quality from the occasionally excellent to the jumble-sale variety.

DROUOT

An ancient manuscript that sold at Drouot for 3,519,200 French francs (above). An auction takes place at Drouot (right).

In 1994, Drouot sold for 3.1 billion francs ($612.8 million) – 3.4 billion francs including premiums – an increase of 1.5 percent in comparison with 1993.

The Ader-Tajan firm, which during the course of last year became the Etude Jacques Tajan after the departure of Antoine Ader and which holds sales in every major artistic speciality, recorded sales of over 330 million francs.

Second in the stakes, with 115 million francs, was Guy and Philippe Loudmer, a father and son company that also covers a broad range of sales and specializes in modern and primitive art. Jean-Louis Picard, who is known for particularly high-quality sales of 18th-century French furniture, recorded 111 million francs in sales.

In addition to the frequently overcrowded Drouot salesrooms, Paris auctioneers use premises on the plush Avenue Montaigne, just off the bottom of the Champs-Elysées, for their prestigious sales aimed at an international clientele of collectors and dealers. Guy Loudmer, among others, has frequently complained that while Drouot may be satisfactory for middle-market sales, it is inadequate for attracting top international buyers.

Paris market

Paris has been a major center for primitive art ever since its "discovery" by the Cubists. In addition to Guy Loudmer, the Francis Lombrail and Christian de Quay partnership has recently made inroads into selling major pieces of tribal African and Oceanian art. Both firms are holding important sales in June, as is their colleague François de Ricqlès, who will auction off a 300 piece collection of Cameroon art – a sort hardly ever seen in the salesroom – amassed by Pierre Harter, a French doctor who worked in Africa in the 1950s.

For historical and fiscal reasons, principally the 18.6 percent import tax payable on jewelry coming into France, Paris has never been a major center for sales of jewels, which tend to concentrate in Geneva. But Drouot does organize a large number of sales featuring less valuable items.

Paris is also weak in the field of Old Master paintings, although this rule is regularly disproved by some notable exceptions. In June, for example, Jacques Tajan will put under the hammer 100 high-quality canvases dating from the 17th to 19th centuries. A third of them were consigned by André Gombert, a major dealer in the city, and the rest are being proposed by two European collectors whom Mr. Gombert advised over the years.

Books have always been a pillar of the Paris auction scene.

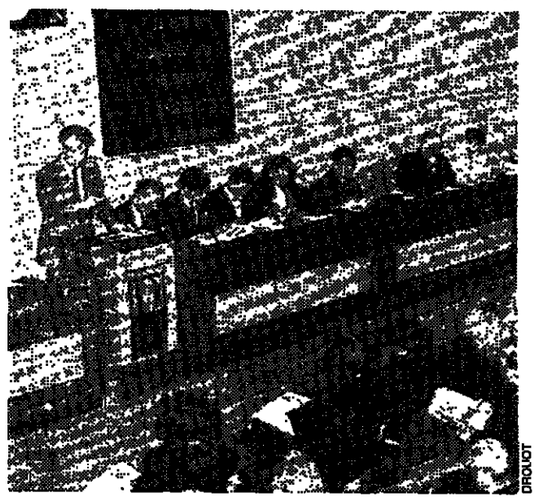
The city contains some of the world's best dealers in antiquarian books. French collectors are among the most enthusiastic, and experts consider France to be a largely untapped reservoir of old reading material. Collectors also flock to Paris for modern illustrated books, as French bookbinders are considered among the best in the world. Drouot saw a truly exceptional sale in that specialty in May, when auctioneer Hervé Poulain put up for sale over 300 volumes from the collection of Jean-Pierre Guillaume, almost all of them bound by the much sought-after Pierre-Lucien Martin.

Art Deco sales

Paris also has outstanding dealers and important auction sales in Art Deco furniture and objects, which are especially appreciated in New York as well as Europe, though they evolved in France.

Regional furniture and ceramics are also strong points at Drouot, although the city's once-high-quality modern and contemporary art sales have not fully recovered from the slump that affected the international art market in 1990.

The three percent tax on the sale of a modern work of art, which is payable to the inheritors of the artist and known as *droit de suite*, exists neither in Britain nor in the United States (except for California). This tax is a major obstacle to French auctioneers, who point, as proof of its iniquity, to the fact that most modern art sales of more than 1 million francs currently take place outside France.



DROUOT

Le certificat, the export license required for works of art over a certain value, is also seen as a hindrance to trade, as is the five percent value-added tax payable on artworks imported into France. Paris is the capital of a country rich in art, and the city's auction scene could be on the brink of an explosion, provided, the auctioneers say, that bothersome fiscal measures are done away with and that the arrival of Sotheby's and Christie's may at last take place.

"AUCTIONS IN FRANCE" *was produced in its entirety by the Advertising Department of the International Herald Tribune.*

WRITER: *Nicholas Powell is a British journalist based in Paris who specializes in the art market.*

PROGRAM DIRECTOR: *Bill Mahder.*

NYSE

Friday's 4 p.m. Close

Nationwide prices, not reflecting late trades elsewhere.
The Associated Press.

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
		A-B-C								
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12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
		D-E-F								
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12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
		G-H-I-J								
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12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
		K-L-M-N								
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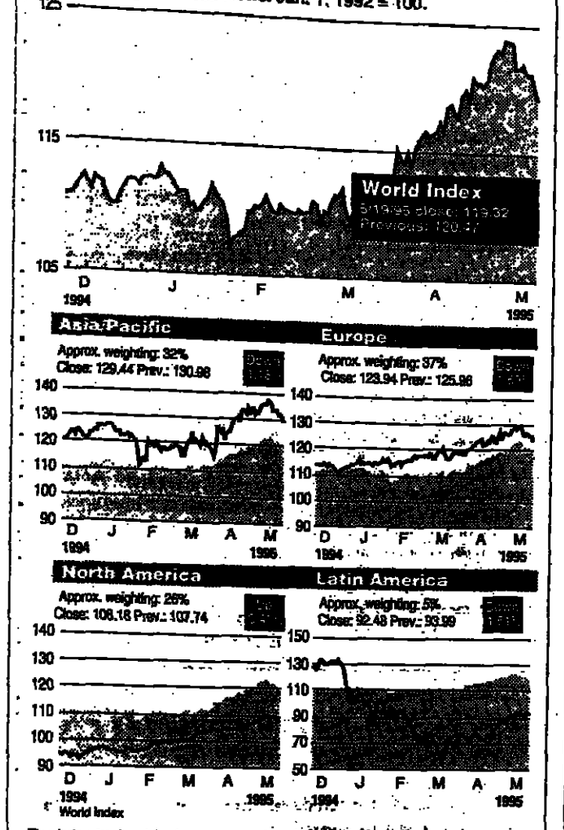
Continued on Page 12

THE TRIB INDEX: 119.32

International Herald Tribune World Stock Index ©, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



This index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization, otherwise the ten top stocks are tracked.

Industrial Sectors

	Fri. close	Prev. close	% change		Fri. close	Prev. close	% change
Energy	123.68	125.71	-1.61	Capital Goods	122.96	123.54	-0.47
Utilities	138.98	142.75	-1.34	Raw Materials	138.53	140.63	-1.64
Finance	118.69	120.24	-1.29	Consumer Goods	111.92	112.04	-0.11
Services	112.89	114.055	-1.02	Miscellaneous	127.89	129.48	-1.23

For more information about the index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.

Investor Reblazes His Trail South

A Pioneer Helps Dollars Flow Back to Latin America

By Peter Truell
New York Times Service

It was hardly the typical leading indicator. But when Pedro-Pablo Kuczynski got into his red Porsche recently and headed for Miami, that was as good a sign as any that the smart money was heading south, too, all the way back to Latin America.

Mr. Kuczynski, an investment banker, has been shifting his base to Miami for more than two years. Driving down with some of the last of his things, he was making a final break with his life up north, leaving behind a 33-year marriage and homes in New York and Washington.

Ahead was the new life he was forging with a woman he met some years ago, Nancy A. Lange, an analyst of institutional money managers. Also ahead was a bold plan to invest big again in Latin America. And since Mr. Kuczynski knows the region as well as anyone — he was a pioneer there, "one of the only people doing Latin America 20 years ago," said Richard L. Grand-Jean, a former Salomon Brothers Inc. banker — the move south can be read as something other than a midlife crisis.

Indeed, less than six months after Mexico's unexpected and drastic devaluation of the peso sent foreign investors skittering out of developing markets throughout the region, the dollars are starting to flow in again. By relocating to Miami, an important way station for Latin-bound investment, Mr. Kuczynski has been positioning himself to become one of the biggest conduits.

Now, he has fully arrived. A former managing director at CS First Boston and a former minister of energy and mines in Peru, where he grew up and remains a citizen, he has been signing the final papers this week to start up a $150 million fund that will take equity stakes in large privately held companies in Latin America.

The timing could not be better, he said, adding that the Latin American Enterprise Fund LP that he would be running with Ms. Lange and a few others was still attracting investors and could soon top $200 million.

"The Mexican crisis has increased the opportunities in the private equity market," he said, and "not only in Mexico," because it is now easier to win more favorable terms.

He is not the only one thinking that way. Nicholas F. Brady, the former U.S. Treasury secretary, has teamed up with Daniel Marx, a former director of Argentina's central bank, to set up Darby Overseas Investments Ltd., which has already made some investments in Latin America. Joseph G. Fogg III, a former head of investment banking at Morgan Stanley & Co., recently set up a private equity fund to invest in Peru.

Few who are making the return trip have Mr. Kuczynski's roots in the region — his name derives from his father's Polish ancestry — and his long years of investment experience there.

At CS First Boston, he helped privatize 18 Mexican banks and advised such companies as Vitro SA, a Mexican glass-maker, and YPF SA, an Argentine energy company, about raising money on the New York Stock Exchange. He also helped George Soros, the billionaire fund manager, double his investment in a Peruvian brewery, Cia. Nacional de Cerveza.

After leaving CS First Boston in 1992, he spent nearly three years restructuring and managing the Latin American portfolio of Stephan Schmidheiny, a Swiss tycoon. It was while doing that job that Mr. Kuczynski began to spend time in Miami.

That background — complemented by Ms. Lange's extensive contacts with institutional investors — has produced an enviable list of deep-pocket backers, including Bank of America, Chemical Banking Corp., Connecticut Mutual Life Insurance Co. and Internationale Nederlanden Groep NV, the new parent of Barings PLC.

"He's very effective, he knows the business well, and he knows the markets," said Jay H. Newman, a former managing director at Morgan Stanley whose firm has made investments in Latin America.

And not many are starting over in quite as dramatic a fashion.

This month, the final divorce papers came through for Mr. Kuczynski and his wife of more than three decades, Jane Casey.

He and Ms. Lange met almost a decade ago when Ms. Lange worked for Institutional Investor magazine arranging conferences for money managers.

They now live near the office on South

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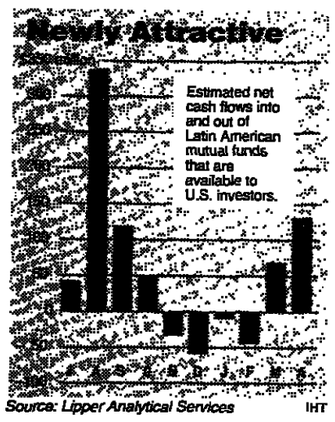


Source: Lipper Analytical Services IHT

Honda Nervous About Prospects Despite Gain

Compiled by Our Staff From Dispatches

TOKYO — Honda Motor Co. said Friday that cost-cutting helped it post a hefty profit rise in its latest year, but the strong yen and the threat of American trade sanctions led it to predict tougher times ahead.

Despite the wary outlook, Kunihiro Chujo, a Honda director, said the company expected sales to rise in America, Europe and Japan in the current year. The company also said motorcycle sales in Asia were expected to advance.

Honda, which reported its results in accordance with U.S. accounting principles, said net income rose to 61.53 billion yen ($705.7 million) in the year ended March 31, up 159 percent from 23.70 billion yen in the previous year. Sales rose 3 percent, to 3.97 trillion yen.

The rise in net profit was the first in seven years, although 12.8 billion yen of it reflected a gain from the dissolution of Honda's cross-shareholding with Rover Group PLC after the British carmaker was purchased by Bayerische Motoren Werke AG.

The company predicted its net profit would fall to 45 billion yen this year, with the figure based on a dollar rate of 90 yen.

But Honda's profit would deteriorate if America formalized trade sanctions against Japan in their current form. On Tuesday, the United States said it would impose 100 percent tariffs on 13 Japanese luxury cars, including the Legend and 3.2TL sold by Honda's Acura division.

But Koji Endo, an analyst at Lehman Brothers Japan Inc., said the cars might be dropped from the list. Yoshihide Munekuni, a Honda executive vice president, said the company had not taken the sanctions into account because the list had not been finalized.

Honda laid much of its improvement last year to its cost-cutting efforts, which totaled 68.5 billion yen, nearly offsetting the 74.5 billion-yen impact of the Japanese currency's appreciation. Honda has cut production hours at some of its plants, shifted workers to sales outlets and instituted performance-based bonuses for its managers.

Sales, general and administrative costs fell to 769.1 billion yen from 775.1 billion yen the year before. Honda's automobile sales rose in all markets last year. Overall, the company sold 1.79 million cars, up 2.3 percent from the previous year.

In Europe, sales rose to 176,000 units from 156,000 units. Honda's motorcycle division saw sales rise to 4.8 million units from 4.2 million. *(Reuters, Bloomberg, AFP, AFX)*

Strong Yen Sends Sega's Profit Down

Compiled by Our Staff From Dispatches

TOKYO — Sega Enterprises Ltd. said Friday that earnings plunged 40.6 percent in its latest year because of the dollar's weakness against the yen and poor sales abroad.

The Japanese video game maker said parent current profit for the year to March 31 was 23.2 billion yen ($267 million), down from 42.5 billion yen the previous year.

Sega's group net profit, which includes subsidiaries, dropped 54 percent, to 5.1 billion yen.

Worldwide sales fell 8 percent, to 384 billion yen.

The announcement came two days after its rival, Nintendo Corp., reported a 15 percent decline in current profit, to 97.79 billion yen, on a sales decline of 25 percent.

Big exporters such as Sega and Nintendo are particularly hurt by the surging yen, which is making Japanese-made products less competitive abroad.

"The rise of the yen reduced parent sales by 10.5 billion yen and caused 4.6 billion yen in foreign exchange losses," said Shunichi Nakamura, Sega's managing director.

(Reuters, AFP, Bloomberg)

U.S. Lends Mexico a Further $2 Billion

The Associated Press

WASHINGTON — Amid signs Mexico's economic crisis is easing, the U.S. government Friday provided the latest $2 billion installment of loans to its southern neighbor.

"Mexico has improved significantly over the past three months," Treasury Secretary Robert E. Rubin said. "They have more than halved their short-term, dollar-linked debt, and they have implemented tough economic policies."

The $2 billion installment brings to $10 billion the amount that Mexico has tapped from a $20 billion credit package approved in February in a rescue deal between the two countries.

The plan remains controversial here, with Republican leaders in Congress threatening public hearings.

The loans granted Friday will be used to pay short-term, dollar-denominated debt, officials said.

Mr. Rubin said, "While it is too soon to declare victory, we are optimistic that with our support and continued perseverance by Mexico's people, full market confidence and economic health should return."

He said the loan package was in the best interests of the United States because the country depended on Mexico as a trading partner.

America's deficit with Mexico widened 36 percent to a record $1.71 billion in March as the economic turmoil in America's third-biggest export market continued to turn what had been trade surpluses for the United States into deficits.

Republicans on Capitol Hill, led by Senator Alfonse D'Amato of New York, said the money was a bailout for rich investors and that there were no assurances it would be repaid by Mexico.

ECONOMIC SCENE

Seoul's Growth Reaches Risky Level

By Steven Brull
International Herald Tribune

SEOUL — No country has benefited more from the yen's surge in value against the dollar than South Korea. But with the economy already expanding at a torrid pace, economists fear the boom could lead to a bust.

The surge of the yen — 15 percent so far this year — has acted like a tailwind behind South Korea's economy, making it one of Asia's most dynamic.

Gross domestic product is likely to expand by 9.0 percent in 1995, after growing 8.4 percent in 1994.

Spurred by the strong yen, which makes South Korean goods more competitive relative to those of Japanese rivals, exports shot up 34 percent in April from a year earlier, to $10.28 billion. During the month, exports of petrochemicals jumped 114 percent, automobiles 104 percent, general machinery 93 percent and semiconductors 68 percent.

The spurt has helped South Korea become the world's biggest supplier of memory chips and the third-biggest overall producer of semiconductors. The country is also the world's second-largest producer of videocassette recorders, TV picture tubes and facsimile machines. Last year, it passed Britain and France to become the world's fourth-largest producer of electronics.

South Korea, which just three decades ago was among the poorest countries on Earth, will see its per-capita income surpass $10,000 this year, breaching a threshold often associated with developed-world status.

While few dispute South Korea's economic success, economists warn that much of the current expansion is due to a huge buildup of manufacturing capacity that could prove excessive if the yen weakens or global economic growth cools. Investment in manufacturing facilities is expected to jump about 45 percent this year, to 63.5 trillion won ($83.3 billion).

The government, which has little sway over the capital-spending plans of Korea's conglomerates, lacks sufficient tools to slow the economy.

"Facility investment is now in the full-blown manic phase," said Stephen E. Marvin, director of international research at Ssangyong Investment & Securities Co. "It has become excessive and will become a major problem for the Korean economy."

Already, he noted, the massive investments are driving up domestic interest rates. Imports of capital goods and materials also are expanding the country's trade deficit, draining liquidity and weighing down the stock market.

If the new capacity proves excessive, it could trigger a negative cycle of falling corporate profits, declining incomes and consumption and reduced tax revenues. Growth could plummet to 4 percent or 5 percent for four to six quarters, just as it did in 1991 and 1992 after a boom that began in the late 1980s.

The government is trying to slow the rate of expansion but lacks sufficient tools to do so. It has pushed up the won's value by several percentage points against the dollar to help keep inflation under control and put the brakes on new construction projects. But the government has little sway over the capital spending plans of the *chaebol*, the country's sprawling conglomerates, which are focused above all else on expanding their market share.

Their investments are fueling South Korea's trade deficit, which is set to swell to about $8 billion in 1995, about double last year's level. The chief culprit is a jump in imports of capital goods and materials from Japan, many of them made more expensive by the strong yen.

Interest rates have jumped to about 15 percent, up three points from the a year ago, and could rise a little further by the end of the year, according to Scott Foster, head of research at Merrill Lynch & Co. in Seoul.

"Things are still more or less in balance, but they could get out of balance very easily," he said.

CURRENCY & INTEREST RATES

Cross Rates — May 19

	$	£	D.M.	F.F.	Lira	D.Fl.	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.6322	2.5375	1.1191	0.3159	0.968*	—	5.428*	1.3443	1.8574*	1.1913	1.2574*
Brussels	29.73	46.2575	20.3885	5.31	1.7625*	18.4615	—	24.4925	33.813	21.66	22.865*
Frankfurt	1.457	2.2655	—	0.2908	0.8652*	0.8204	4.8571*	1.2002	1.6583*	1.0625	1.1214*
London (a)	Not Available										
Madrid	125.276	197.242	86.979	24.533	7.525*	77.724	427.252	104.484	144.377*	92.421	—
Milan	1,655.00	2,603.95	1,151.25	324.45	—	1,028.55	5,594	1,374.25	19.149	1,221.40	13.221
New York (b)	—	1.5705	0.6922	0.1951	0.5969*	0.6185	3.3825	0.8269	1.1526*	0.7347	0.7953*
Paris	5.1085	8.0435	3.5469	—	3.0731*	3.1844	17.415	4.2404	—	3.0105	3.2586
Tokyo	84.88	133.57	58.94	16.62	5.125	52.94	289.44	70.45	86.8215*	—	166.4*
Toronto	1.3962	2.2219	0.979	0.2652	0.8215*	0.8796	4.4655*	1.1266	1.5024*	0.8846	0.9573*
Zurich	1.2015	1.909	0.843	0.2283	0.672*	0.7445	4.0478*	—	1.3024*	—	0.8217*
1 ECU	1.255	0.8225	1.2651	0.6353	2.155.00	2.0872	10.3935	1.5327	112.264	1.2753	1.0.2026
1 SDR	1.5347	0.9752	2.2195	N.Q.	N.Q.	2.4857	45.5394	1.8531	133.636	2.0873	N.Q.

Closings in Amsterdam, London, Milan, New York, Paris, Toronto and Zurich; fixings in other centers.
*a: To buy one pound; b: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	1.00	Greek drac.	222.32	Mex. peso	5.885	S. Afr. rand	3.693
Austral. $	1.4086	Hong Kong $	7.7357	N. Zealand $	1.5339	S. Kor. won	760.30
Austr. schil.	10.136	Hung. forint	125.99	Norw. krone	6.4082	Swed. krona	7.3681
Brazil real	0.89	Indon. rupiah	21.36	Phil. peso	25.86	Taiwan $	25.64
Chinese yuan	8.2725	India. rupiah	32.32.14	Polish zloty	2.43	Thai baht	24.77
Czech koruna	26.62	Irish £	0.6254	Port. escudo	151.09	Turkish lira	4.4014.
Danish krone	5.6265	Israeli shek.	3.0301	Russ. ruble	5041.00	UAE dirham	3.671
Egypt. pound	3.3369	Kuwaiti dinar	0.2952	Saudi riyal	3.75	Venez. bolIv.	149.81
Fin. markka	4.391	Malay. ring.	2.4635	Sing. $	1.3932		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5742	1.5735	1.5727	Canadian dollar	1.3536	1.3522	1.3510
Deutsche mark	1.4391	1.4371	1.4351	Japanese yen	86.30	85.94	85.60
Swiss franc	1.1977	1.1949	1.1922				

Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France-Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Bloomberg, Reuters and AP.

Eurocurrency Deposits — May 19

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1 month	n.a.	4 9/16-4 5/16	3 7/16-3 5/16	6 3/16-6 1/16	7 1/16-7 1/16	1 1/16-1 1/16	6 1/16-6 1/16
3 months	—	4 7/16-4 5/16	3 9/16-3 7/16	6½-6⅜	7 1/16-7 1/16	1 1/16-1 1/16	6 1/16-6 1/16
6 months	—	4 9/16-4 7/16	3⅝-3½	6⅞-7	6 15/16-6 13/16	1 1/16-1 1/16	6⅛-6¼
1 year	—	4⅝-4½	3 9/16-3 7/16	7⅛-7⅜	6 13/16-6 11/16	1 1/16-1 1/16	6¼-6⅜

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev.
Discount rate	5¼	5¼
Prime rate	9.00	9.00
Federal funds	5⅞	5 9/16
3-month CDs	5.64	5.64
Comm. paper 180 days	6.11	6.11
3-month Treasury bill	5.69	5.67
1-year Treasury bill	5.66	5.63
2-year Treasury note	6.17	6.13
5-year Treasury note	6.44	6.39
7-year Treasury note	6.52	6.48
10-year Treasury note	6.62	6.59
30-year Treasury bond	6.92	6.89
Merrill Lynch 30-day ready asset	5.59	5.59
Japan		
Discount rate	1.00	1.00
Call money	1¼	1¼
1-month interbank	1 9/16	1 9/16
3-month interbank	1 9/16	1 9/16
6-month interbank	1 9/16	1 9/16
10-year Government bond	3.24	3.31
Germany		
Lombard rate	6.00	6.00
Call money	4.50	4.55
1-month interbank	4.60	4.68
3-month interbank	4.60	4.60
6-month interbank	4.65	4.65
10-year Bund	6.87	6.86

Britain		
Bank base rate	6¼	6¼
Call money	6⅛	5⅞
1-month interbank	6 7/16	6⅛
3-month interbank	6 9/16	6⅜
6-month interbank	6 9/16	6⅜
10-year Gilt	8.09	8.05
France		
Intervention rate	5.00	5.00
Call money	7½	7½
1-month interbank	7 9/16	7⅜
3-month interbank	7 9/16	6 15/16
6-month interbank	6 15/16	6⅞
10-year OAT	7.47	7.44

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	382.65	383.00	— 0.25
London	382.60	383.00	Unch.
New York	384.50	383.00	— 1.20

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (June).
Source: Reuters.

RELIGIOUS SERVICES

AMSTERDAM

CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Service 10:00 a.m. & 11:30 a.m./ Kids Welcome. De Cuserstraat 3, S. Amsterdam Info. 02940-15316 or 02503-41399.

FRANCE/TOULOUSE

HOPE INTERNATIONAL CHURCH (Evangelical). Sun. 6:30 p.m. Sofitel Hotel. Toulouse-Blagnac Airport. Tel.: 62.24.31.18.

FRANKFURT

IF YOU BELIEVE that the Spirit of God dwells in everyone, join others of like mind, Sunday 9:30 am. Universelles Leben; Borsigallee 35 Hessen Ctr., Frankfurt; 06109-33401.

KIEV

INTERNATIONAL CHRISTIAN ASSEMBLY (AOG), Sunday 10:30 a.m., 16 Khrechatik Street. Pastor Eldon Brown (7044) 244-3376.

MUNICH

INTERNATIONAL COMMUNITY CHURCH. Evangelical Bible Believing, services in English 4:30 p.m. Sundays at Einhuberstr. 10 (U2 Theresienstr.) (089) 850-8617.

PARIS and SUBURBS

EMMANUEL BAPTIST CHURCH, 56 Rue des Bons-Raisins, Rueil-Malmaison. An Evangelical church for the English speaking community located in the western suburbs.S.S. 9:45; Worship: 10:45. Children's Church and Nursery. Youth ministries Dr. B.C. Thomas, pastor. Call 47.51.29.83 or 47.49.15.29 for information.

HOPE INTERNATIONAL CHURCH (Evangelical). Sun. 9:30 a.m. Hotel Orion. Metro 1 : Esplanade de La Défense. Tel.: 47.73.53.54 or 47.753.14.27.

THE SCOTS KIRK (Presbyterian) 17 rue Bayard 75008 Metro: Roosevelt. Sunday Service and Sunday School 10:30 a.m. All Welcome. Tel.: 48.78.47.94.

SAINT JOSEPH'S CHURCH (Roman Catholic). Masses Sunday: 9:45 a.m., 11:00 a.m., 12:15 p.m., and 6:30 p.m. Saturday: 11:00 a.m. and 6:30 p.m. Monday-Friday: 8:30 a.m. 50, avenue Hoche, Paris 8th. Tel.: 42.27.26.56. Metro: Charles de Gaulle - Etoile.

ST. MICHAEL'S CHURCH (evangelical Anglican). Sundays 10:30 a.m. (with children's club and creche) and 6:30 p.m. Midweek study groups. Christ-centered fellowship in the heart of Paris. 5 rue d'Aguesseau, 75008. Tel.: 47.42.70.88. Metro: Concorde.

TOKYO

ST. PAUL INTERNATIONAL LUTHERAN CHURCH, near Iidabashi Stn. Tel.: 3261-3740. Worship Service: 9:30 a.m. Sundays.

TOKYO UNION CHURCH, near Omotesando subway Sta. Tel.: 3400-0047. Worship Services Sunday 9:30 & 11:00 a.m. SS at 9:45 a.m.

USA

If you would like a free Bible course by mail, please contact: L'EGLISE de CHRIST, P.O. Box 513, Staunton, Indiana 47881 U.S.A.

THE EPISCOPAL CHURCHES OF EUROPE (Anglican)

PARIS and SUBURBS

THE AMERICAN CATHEDRAL OF THE HOLY TRINITY, Sun. 9 & 11 a.m., 10:45 a.m. Sunday School for children and Nursery care. Third Sunday 5 p.m. Evensong. 23, avenue George V, Paris 75008. Tel.: 33/1 47 20 17 92. Metro: George V or Alma Marceau.

FLORENCE

ST. JAMES' CHURCH, Sun. 9 a.m. Rite I & 11 a.m. Rite II. Via Bernardo Rucellai 9, 50123, Florence, Italy. Tel.: 39/55 29 44 17.

FRANKFURT

CHURCH OF CHRIST THE KING (Episcopal/Anglican) Sun. Holy Communion 9 & 11 a.m. Sunday School and Nursery 10:45 a.m. Sebastian Finz St. 22, 60323 Frankfurt, Germany, U1, 2, 3 Miquel-Allee. Tel: 49/69 55 01 84.

GENEVA

EMMANUEL CHURCH, 1st, 3rd & 5th Sun. 10 a.m. Eucharist & 2nd & 4th Sun. Morning Prayer. 3 rue de Monthoux, 1201 Geneva, Switzerland. Tel.: 41/22 732 80 78.

LUCERNE

AT CHRISTUSKIRCHE Museggstr. Sun. 11 a.m. Morning Worship with Holy Eucharist. For details see local newspapers. Tel. 41/41 22 13 67.

MUNICH

THE CHURCH OF THE ASCENSION, Sun. 11:45 a.m. Holy Eucharist and Sunday School, Nursery Care provided. Seybothstrasse 4, 81545 Munich (Harlaching). Germany. Tel.: 49/89 64 81 85.

ROME

ST. PAUL'S WITHIN-THE-WALLS, Sun. 8:30 a.m. Holy Eucharist Rite I; 10:30 a.m. Choral Eucharist Rite II; 10:30 a.m. Church School for children & Nursery care provided; 1 p.m. Spanish Eucharist. Via Napoli 58, 00184 Rome. Tel.: 39/6 488 3339 or 39/6 474 3569.

BRUSSELS/WATERLOO

ALL SAINTS' CHURCH, 1st Sun. 9 & 11:15 a.m. Holy Eucharist with Children's Chapel at 11:15. All other Sundays: 11:15 a.m. Holy Eucharist and Sunday School. 563 Chaussée de Louvain, Chain, Belgium. Tel. 32/2 384-3556.

WIESBADEN

THE CHURCH OF ST. AUGUSTINE OF CANTERBURY, Sun. 10 a.m. Family Eucharist. Frankfurter Strasse 3, Wiesbaden, Germany. Tel.: 49/611.30.66.74.

EUROPEAN BAPTIST CONVENTION

BARCELONA

I.B.C. For information about services and Bible studies call pastor Lance Borden, 439 50 59.

BERLIN

I.B.C., BERLIN. Rothenburg Str. 13, (Steglitz). Bible study 10.45, worship at 12.00 each Sunday. Charles A. Warford, Pastor. Tel.: 030-774-4670.

BONN/KÖLN

I.B.C. OF BONN/KÖLN, Rheinau Strasse 9, Köln. Worship 1:00 p.m. Calvin Hogue, Pastor. Tel.: (02236) 47021.

BRATISLAVA

I.B.C., (English language, evangelical) Zrinskako 2, 12:30 Sunday - Ben Hanna. Tel. 715367

BREMEN

I.B.C. (English language) meets at Evangelish-Freikirchlich Kreuzgemeinde, Hohenlohestrasse Hermann-Bose-Str. (around the corner from the Bahnhof) sunday worship 17:00 Ernest D. Walker, pastor. Tel. 04791-12877.

BUCHAREST

I.B.C., Strada Popa Rusu 22, 3:00 p.m. Contact Pastor Mike Kemper. Tel. 312 3860.

BUDAPEST

I.B.C., meets in Morics Zsigmond Gimnazium, Torokvesz ut 48-54, Sundays. 10:00 Coffee Fellowship, 10:30 Worship. Take Bus 11 from Batthyany ter. Other meetings, call Pastor Bob Zbinden, Tel. 250-3932.

BULGARIA

I.B.C., World Trade Center, 36, Drahan Tzankov Blvd. Worship 11:00. James Duke, Pastor. Tel.: 704367.

CELLE/HANNOVER

I.B.C., Windmulen Strasse 45, Celle 1300 Worship, 1400 Bible Study, Pastor Wert Campbell, Ph. (05141) 46416.

DÜSSELDORF

I.B.C.-English. Worship and Children's Church Sundays at 12:30 p.m. Meeting temporarily at the Evangelisch - Freikirchliche Gemeinde in Ratingen, Germany (Kaiserberg 11). Friendly Fellowship. All denominations welcome. For further information call the pastor: Dr. Darwin Bacor, Tel.: 0211 - 400 157.

FRANKFURT

INTERNATIONAL CHRISTIAN FELLOWSHIP Evangelisch-Freikirchliche Gemeinde, Sodenerstr. 11-18, 6390 Bad Homburg, phone/Fax: 06173-62728 serving the Frankfurt and Taunus areas, Germany. Sunday worship 09:45, nursery + Sunday-school 10:00, women's bible studies, Housegroups - Sunday + Wednesday 19:30. Pastor M. Levey, member European Baptist Convention. "Declare His glory amongst the nations."

BETHEL I.B.C. Am Dachsberg 92, Frankfurt a.M. Sunday worship 11:00 a.m. and 6:00 p.m., Dr. Thomas W. Hill, pastor. Tel.: 069-549568.

HOLLAND

TRINITY INTERNATIONAL invites you to a Christ centered, loving fellowship. Worship Service 10:30 with nursery Bloemcamplaan 54, Wassenaar 01751-78024.

MADRID

IMMANUEL BAPTIST, MADRID, HERNANDEZ DE TEJADA, 4. ENGLISH SERVICES 11 a.m., 7 p.m. Tel.: 407-4347 or 302-3017.

MOSCOW

I.B.C. Meeting 1100; Kino Center Building 15 DruzDruzhinnikovskaya Ul. 5th Floor, Hall 6, Metro Station Barrikadnaya Pastor Brad Stamey Ph. (095) 150 3293.

MUNICH

I.B.C. OF MUNICH, Holzstr. 9 English Language Services. Bible study 16:00. Worship Service 17:00. Pastor's phone: 6308534.

NUREMBERG

International Baptist Church - English Language - meets 11 a.m. Sundays Angerstraße 14, Fuerth. For information call 09101-6350.

PRAGUE

INTERNATIONAL BAPTIST FELLOWSHIP meets at the Czech Baptist Church Vinohradska # 68, Prague 3. At metro stop Jiriho Podebrad Sunday a.m. 11:00 Pastor: Bob Ford (02) 311 7974.

WATERLOO

WATERLOO BAPTIST FELLOWSHIP Worship 1400 at Swedish Church, Chaussee de Charleroi 2 across from McDonalds. Tel.: 065 225076.

ZURICH - SWITZERLAND

I.B.C of Wädenswil (Zürich), Rosenbergstr. 4, 8820 Wädenswil, Worship Services Sunday mornings 11:00. Tel.: 1-724 2682.

ASSOC. OF INT'L CHURCHES IN EUROPE & MIDEAST

BERLIN

AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9:30 a.m., Worship 11 a.m. Tel.: 030-8132021.

COPENHAGEN

INTERNATIONAL CHURCH of Copenhagen, 27 Farvergade. Vartov, near Rådhus. Study 10:15 & Worship 11:30. Tel.: 31624785.

FRANKFURT

TRINITY LUTHERAN CHURCH, Nibelungen Allee 54 (Across from Burger Hospital), Sunday School 9:30, worship 11 a.m. Tel.: (069) 599478 or 512552.

GENEVA

EV. LUTHERAN CHURCH of Geneva, 20 rue Verdaine. Sunday worship 9:30, in German 11:00 in English. Tel: (022) 310.50.89.

JERUSALEM

LUTHERAN CHURCH of the Redeemer, Old City, Muristan Rd. English worship Sun. 9 a.m. All are welcome. Tel.: (02) 281-049.

PARIS

AMERICAN CHURCH IN PARIS. Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door, Metro Alma-Marceau or Invalides.

TIRANE

INTERNATIONAL PROTESTANT ASSEMBLY, Interdenominational & Evangelical. Services: Sun. 10:30 a.m., 5:00 p.m., Wed. 5:00 p.m. Fruga Myslym Shyri. Tel/Fax 355-42-42372 or 23282.

VIENNA

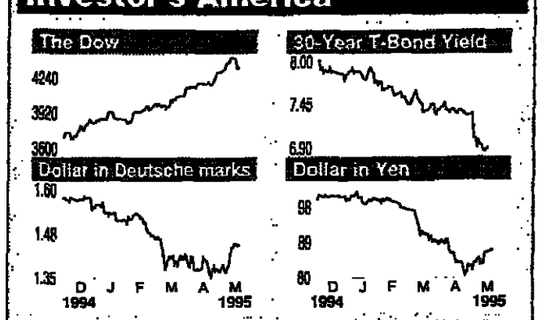
VIENNA COMMUNITY CHURCH, Sunday worship in English 11:30 A.M., Sunday school, nursery, international, all denominations welcome. Dorotheergasse 16, Vienna 1.

ZURICH

INTERNATIONAL PROTESTANT CHURCH English speaking, worship service, Sunday School & Nursery, Sundays 11:30 a.m., Schanzengasse 25. Tel.: (01) 2625525.

THE AMERICAS

Investor's America



Exchange	Index	Friday Close	Prev. Close	% Change
NYSE	The Dow	4341.33	4340.64	+0.02
NYSE	S&P 500	519.19	519.58	-0.08
NYSE	S&P 100	493.33	492.50	+0.17
NYSE	Composite	279.49	279.80	-0.11
U.S.	Nasdaq Composite	853.40	857.80	-0.51
AMEX	Market Value	487.73	487.49	+0.05
Toronto	TSE Index	4367.30	4374.70	-0.17
São Paulo	Bovespa	38895.00	40251.00	-3.37
Mexico City	Bolsa	2012.26	2014.76	-0.12
Buenos Aires	Merval	439.03	455.81	-3.68
Santiago	IPSA General	5966.95	5975.66	-0.15
Caracas	Capital General	1197.00	1196.62	+0.03

Source: Bloomberg, Reuters — International Herald Tribune

SEC Tightens Nasdaq Trade Rule

The Associated Press

WASHINGTON — The Securities and Exchange Commission unanimously approved a rule Friday aimed at strengthening protections for investors on the Nasdaq stock market.

The rule would expand limit order protections intended to stop dealers from buying or selling securities ahead of their own customers.

A limit order is a customer's request to buy or sell a security at a specific price or better. Trading ahead of a limit order can give a dealer an unfair advantage in knowing the likely direction of a stock's price. Many market experts say the practice puts the dealer's interests ahead of a customer's.

"I believe this will be a very positive development for the Nasdaq market," SEC Chairman Arthur Levitt Jr. said.

The SEC last summer approved rules that prohibited dealers from trading ahead of a customer's limit order.

But the restriction did not apply to customer orders sent from one market-maker to another for execution. The new rule is intended to close that loophole.

Market-makers are the brokers who form the backbone of Nasdaq by buying and selling stocks from their own account.

"Investors should be entitled to limit order protection regardless of their choice of broker," Mr. Levitt said.

The rule applies to orders as large as 10,000 shares. It also applies to institutional orders, although professional investors can negotiate with market-makers and permit them to trade ahead of their order in exchange for lower commissions, said Brandon Becker, head of the SEC's Division of Market Regulation.

Nasdaq, a telephone- and computer-linked stock market, is America's second-largest stock market and lists companies such as Microsoft Corp. and Apple Computer Inc.

The market and its major brokers are under investigation by the Justice Department for possible collusion and price-fixing, charges that the market and the brokerage firms vigorously deny.

A theme arising from the investigation is that average investors may not get the best deal possible on Nasdaq because the market is structured to benefit dealers first. The limit-order protection is the latest in a series of technical reforms urged by the SEC to improve investor protection on Nasdaq.

"I think it's important that customers' interests are executed before the firms' interests," said Alan Davidson, president of Zeus Securities in Jericho, New York, and an advocate of Nasdaq reforms. "Customers need to know when they're dealing in a market that they're getting a fair shake."

But David K. Whitcomb, a finance professor at Rutgers University, said the rule did not prevent brokers who lack a relationship with the customer from trading ahead of that order.

Mark Beauchamp, a Nasdaq spokesman, said the market intended to propose marketwide protection for small customer limit orders this summer.

LATIN: *Dollars Flow South Again*

Continued from Page 9

Bayshore Drive in Miami where their Westfield Capital Management Co. will run the Latin American Enterprise Fund and other investment operations. The Westfield team includes Mr. Kuczynski, Ms. Lange and five colleagues: Fernando Montero, Edouardo Elejalde and Gerardo Sepúlveda in Miami, Jairo Edouardo Loureiro in São Paulo and Felipe de la Balze in Buenos Aires.

Mr. Kuczynski said he was looking for an annual return of 35 percent to 40 percent from buying and selling stakes in the right companies.

His fund will look to invest in companies with sales of at least $50 million a year. He estimated that 800 to 1,000 companies fell in the target group, but he was reluctant to identify any.

But he would say that beverage companies in Chile and Argentina were attractive. He was also looking at some basic steel and engineering businesses as well as newspapers and supermarket chains.

Of course, investing in Latin America is never a sure bet. The high returns that Mr. Kuczynski envisions are possible only because the area is such a risky proposition in the first place. Even some of the smartest investors with the best local connections were caught by surprise in such debacles as the regional debt crisis of the early 1980s and December's peso devaluation. And the ongoing recovery from the peso shock is certain to have its own surprises.

Still, foreign investors have started to become more confident about the region. One sign is the net inflow of cash in March and April — after four months of declines — into mutual funds that invest in Latin American securities. Moreover, central bank reserves have started to rise again, said Ernest W. Brown, an economist at Morgan Stanley who follows Latin America. Mexico's reserves now stand at more than $8.3 billion, up from only $3.5 billion at the end of January.

The major Latin American stock markets have also recovered strongly since the beginning of the year.

The slump in Latin American securities in January and February was probably overdone, experts now say. "There's no market that overshoots like the less-developed-country market," Mr. Newman said. "The smart money believes that in the long term there's incredible value in Latin America."

American corporate investors seem to have gotten the message. Automakers, telephone companies, airlines and state pension funds have all been buying Latin American debt and equity in recent weeks, said Stephen W. Dizard, a managing director at Salomon Brothers who specializes in emerging markets.

Now that the fund is almost up and running and he has settled into his new home base, Mr. Kuczynski said he was thrilled to be closer to Latin America. "To Chile, Argentina and Peru," he said, "New York is just too damn far."

Champion Pushes the Price Envelope

By William Glaberson
New York Times Service

NEW YORK — Champion International Corp. has said it would raise newsprint prices 10 percent on Sept. 1, a move that is being watched carefully by newspaper publishers.

Publishers say the move by Champion, announced Thursday, could test whether newsprint suppliers are able to impose a new round of price increases on newspapers' largest raw material.

Sharp increases in the cost of newsprint are cutting into profits at many newspapers. Some publishers have said price increases of as much as 40 percent in recent months have led to layoffs, newsstand price increases and reduced news space.

Publishers say newsprint suppliers have succeeded in maintaining a price increase that took effect May 1 to $675 a metric ton from $600.

The suppliers have cited rising prices for pulp and a tight worldwide market for all grades of paper for the recent price increases.

Earlier this year, analysts predicted that newsprint prices would continue to climb sharply this autumn and for the next several years. But, as newspapers have begun reducing demand by instituting sharp conservation measures, some newspaper executives have begun to predict that newsprint prices would level off.

Several publishers said the real test of Champion's move would come if other newsprint suppliers announced similar price increases.

Richard E. Diamond, chairman of the newsprint committee of the Newspaper Association of America, said several large suppliers had told him they did not plan new price increases soon.

Very briefly:

DuPont Plans to Sell Medical Units

WILMINGTON, Delaware (AP-DJ) — DuPont Co. said Friday it planned to sell its medical products businesses to help fund the April buyback of its shares from Seagram Co.

The four businesses that will be sold have combined annual sales of about $1 billion and six U.S. manufacturing sites. The biggest of the businesses is the Diagnostic Imaging unit, which makes X-ray and electronic imaging equipment and has $535 million in annual sales.

DuPont bought 156 million of its shares from Seagram, a Canadian beverage concern, for $8.8 billion.

- **Chase Manhattan Corp.** said it would eliminate the right of stockholders with more than 25 percent of its stock to issue proposals to other shareholders without management's consent. Chase is trying to defend itself against a shareholder who is seeking changes at the New York bank to raise its stock price.
- **Orange County** investors were paid 77 percent of their investments in cash, in a long-awaited payoff to the government agencies that put more than $5 billion into the California county's $7.5 billion failed investment pool, which lost $1.7 billion.
- **Eastman Kodak Co.** has said it requested help from the U.S. government in winning access to the Japanese market.
- **May Department Stores Co.** said it would spend more than $5 billion over the next five years to add 125 department stores and 1,200 Payless ShoeSource stores.
- **Comcast Corp.** asked **Nextel Communications Inc.** to file a registration statement for Comcast's 11.3 million Nextel shares, signaling it may sell its 10 percent stake, analysts said.

Bloomberg, Reuters, AP

Optimism on Deficit-Reduction Raises Demand for Dollars

Bloomberg Business News

NEW YORK — The dollar rose against European currencies Friday on optimism that the United States will reduce its budget deficit and with it the need for foreign capital.

"Everyone is talking about a balanced budget," said Hubert Pedroli, foreign exchange manager at Crédit Suisse bank in New York. "That's what's giving the dollar a bid tone."

The House of Representatives on Thursday approved a plan to eliminate the deficit, which came to $203.4 billion in the year ended Sept. 30, 1994, by 2002. That prospect has improved the odds the dollar will rally, traders said.

The dollar ended at 1.4443 Deutsche marks, up from 1.4405 DM late Thursday, although it slipped to 86.80 yen from 86.90 yen.

"Fundamentally, things are looking a little better for the dollar," said Bob Gruber, senior currency salesman for Chemical Bank.

"The progress on the budget is giving some people encouragement that deficit-cutting is a priority."

The dollar has dropped 7 percent against the mark and 13 percent against the yen since the beginning of the year amid worries that little progress was being made on narrowing the U.S. budget and trade deficits, making foreigners reluctant to invest in America.

Along with the budget gap, the $166 billion annual U.S. merchandise trade deficit has weighed the dollar down. The trade gap puts a hoard of dollars into the hands of foreign exporters, who sell them for their own currencies when bringing profits home.

Foreign Exchange

Since May 8, though, the dollar has rallied 6 percent against the mark and nearly 4 percent against the yen, as investors began to take seriously efforts in Washington to reduce the two deficits. The threat of sanctions on $5.9 billion of Japanese luxury-car imports if Tokyo does not open up its auto market has encouraged investors about the trade imbalance.

"The sanctions are generally viewed as positive for the dollar, because they are expected to reduce the deficit," said Ross Taylor, head of foreign exchange at Daiwa Securities (America). The United States ran a merchandise trade deficit of $66 billion with Japan last year.

Against the Swiss franc, the dollar rose to 1.2039 from 1.2020, while the U.S. currency advanced to 5.1145 French francs from 5.1060. The pound fell to $1.5705 from $1.5779.

Despite the market optimism, Mr. Taylor of Daiwa said he thought investors were being shortsighted.

"I think by the end of June, the U.S. and Japan will escalate their conflict," he said, which could push the dollar down to the 80-to-83-yen range.

WORLD STOCK MARKETS

Friday, May 19
Prices in local currencies.
Telekurs

Amsterdam

	High	Low	Close	Prev.
ABN-AMRO	58.70	58.10	58.30	59
Aegon	122.90	121.50	122	122.70
Ahold	55.10	54.50	54.60	55.20
Akzo Nobel	184	181	181.20	184.50
Bols Wess cva	33.50	33.20	33.40	33.40
CSM cva	66.40	65.50	66.30	67.20
Dordtsche Pet	209.30	208	208.80	214.50
DSM	134	132.10	132.50	134.50
Elsevier	17.70	17.50	17.50	17.70
Fortis Amev	83.50	82.70	83.30	83.40
G-Broc cva	39	38.50	39	39
Hagemeyer	N.T.	N.T.	N.T.	139
Heineken	222.50	218.40	222.50	220.70
Hoogovens cva	63.60	62	63.30	63.60
Hunt Douglas	71.20	69.50	70.40	71.50
ING cva	84.70	83.50	84.30	85.10
KLM	50.30	49.70	49.80	50.10
KNP BT	48.70	48.20	48.70	48.70
KNP	55.80	55.20	55.60	55.80
Nedlloyd Gp	54.70	53.50	54	55.20
Nutricia	96.30	94.60	96.30	95.40
Oce Grinten	84.10	83.50	84.10	83.80
Pakhoed	46.80	46.10	46.30	46.70
Philips Elec	61	60.10	60.40	61.30
Polygram	88.30	87.50	87.90	88.50
Randstad Hdg	96.80	96.80	96.80	97
Robeco	104.60	104.10	104.10	105.70
Rodamco	51	50.20	50.70	50.90
Rolinco	108.90	108.30	108.30	110
Rorento	87.90	87.70	87.70	88.10
Royal Dutch	195.40	193.40	194.60	201.70
Stork	44	43.50	43.60	43.70
Unilever cva	197	196.10	196.20	198.10
VNU	178.40	177	178	178.40
Wolters Kl cva	127.50	124.80	124.80	127.30

EOE Index: 419.82
Previous: 424.81

Bangkok

	High	Low	Close	Prev.
Adv Info Svc	404	386	404	406
Bangkok Bank F	262	252	252	264
Krung Thai Bk	83	79.50	82	83.50
PTT Explor	260	250	258	264
Siam Cement F	1540	1522	1534	1546
Telecomasia	96	92	94	96
Thai Airways	50.50	49	49	51.50
Thai Farm Bk F	230	212	230	224
Thai Teleph	204	197	202	208
Utd Comm	366	356	362	372

SET Index: 1323.74
Previous: 1344.50

Bombay

Thursday, May 18

	High	Low	Close	Prev.
Assoc Cement	3950	3865	3940	3865
Grasim Ind	644	630	640	622
Hindalco Ind	870	840	852	820
Indust Lever	586	570	570	580
Indian Hotels	544	500	518	538
ITC	240	230	232	229
Larsen Toubro	268	260	262.50	262
Reliance Ind	276.50	268	275.50	264
Tata Eng Loco	545	517	522	512
Tata Iron St	213	206	211	204.50

Sensitive Index: 3276.52
Previous: 3229.29

Brussels

	High	Low	Close	Prev.
Arbed	4380	4350	4380	4380
Barco Ind	2730	2715	2720	2725
BBL	4600	4540	4595	4590
Bekaert	23475	23150	23350	23475
CBR	11450	11400	11400	11450
CMB	2320	2285	2295	2320
Cockerill	194	191	191	193
Colruyt	7780	7650	7700	7780
Delhaize Lion	1356	1328	1356	1344
Electrabel	6420	6410	6460	6490
Electrafina	3030	2960	2980	3030
Fortis AG	3075	3035	3055	3075
GIB	1394	1372	1380	1396
GBL	3840	3800	3850	3860
Gen Banque	8950	8810	8920	8930
Glaverbel	4200	4060	4095	4060
Kredietbank	7010	6960	7000	6990
Mosane	1450	1450	1450	1412
Petrofina	9060	9000	9010	9090
Powerfin	3160	3130	3155	3150
Recticel	415	415	415	425
Royale Belge	5400	5240	5320	5370
Soc Gen Belg	2200	2160	2190	2215
Solvay	15975	15800	15925	16000
Tessenderlo	10400	10300	10325	10350
Tractebel	10375	10125	10175	10425
UCB	25950	25750	25900	25925
Union Miniere	2070	2045	2060	2080
Wagon Lits	9600	9600	9600	9560

Stock Exchange Index: 7564.78
Previous: 7614.63

Copenhagen

	High	Low	Close	Prev.
Carlsberg B	265	255	260	260.02
Danisco	235	230	231	233
Den Danske Bk	346	341	346	346
D/S Svendborg	N.T.	N.T.	N.T.	160000
D/S 1912 A	111000	111000	111000	111000
East Asiatic Co	154	150	153	151
FLS Ind B	556	540	550	549
ISS Intl Svc B	177.20	172	177	176
Novo Nordisk B	590	585	590	589
Radiometer B	317	298.89	316	300
Sophus Ber B	512	505	505	512.65
Tele Danmk B	319	312	314	316
Unidanmark A	266	261	265	268

Stock Market Index: 358.53
Previous: 358.69

Frankfurt

	High	Low	Close	Prev.
AMB	980	980	980	955
AEG	132	131.70	132	133
Allianz Hdg	2608	2588	2588	2608
Altana	724	716	722	724
Asko Deutsche	675	675	675	675
Badenwerk	505	505	505	505
BASF	301.80	299.30	299.50	303.40
Bayer Hypo Bk	387	384	385	387
Bay.Vereinsbank	402	397	398	403.50
Bayer	345	341.50	342.30	347.30
Berliner Kraft	310	310	310	310
BHF Bank	377	375	375	379
BMW	748	739	743	744.50
CKAG Colonia	1053	1053	1053	1055
Commerzbank	329	326.50	326.50	333.20
Daimler Benz	675	671.50	672	678.50
Degussa	430	424	428	433.50
Deutsche Bank	670.50	666.50	667	696.50
Dresdner Bank	396.50	394	395.50	398.50
Heidelbg Zmt	1200	1190	1200	1190
Henkel	549	545	548	550.50
Hochtief	842	836	840	844
Hoechst	301.70	297.50	298.20	301.30
Holzmann Ph.	775	769	768	777
Karstadt	595	588	588	598
Kaufhof Hdg	476.50	475.50	475.50	480
Linde	842	830	838	840
Lufthansa ord	191	189.50	190	190.50
MAN	371	368	368	372
Mannesmann	415	406	407	416.50
Muench Rueck	2800	2790	2790	2820
Preussag	425	422	425	426.50
PWA	248	247	246.50	247.20
RWE	473	469.50	472.50	473.50
SAP pfd	1680	1645	1648	1690
Schering	975	964	968.50	969
Schmalb Lub	295	273	276	299
Siemens	666	663	663	673.70
Suedzucker	780	775	780	780
Thyssen	265.50	261.70	264.90	268.80
Veba	525.50	522.70	522.70	543.50
VEW	465	450	465	446
Viag	546	535.50	537	535.50
Volkswagen	397	393	394	400.50
Wella	1064	1058	1064	1057

DAX Index: 2065.13
Previous: 2087.13

Helsinki

	High	Low	Close	Prev.
Cultor 1	144	140	144	141
Enso-Gutzeit R	35.50	34.80	35.20	35.70
Huhtamaki IF	150	148	149	150
Kesko	43	42.80	42.80	42.80
Kone BF	536	528	528	540
K.O.P. F	4.45	4.40	4.41	4.54
Kymmene F	126	122	125	125
Metra BF	184	182	182	185
Metso-Serla B	186	185	186	196
Nokia Prf F	191	188	191	193
Outokumpu A	72.20	71.50	71.70	72.10
Rautaruukki	33	32.60	32.60	33.20
Repola	87.10	86.30	86.60	87
Stockmann A	210	209	210	210
Unitas Bk A	13.30	13.10	13.20	13.50
Valmet A	103	101	102	102

HEX General Index: 1820.93
Previous: 1836.91

Hong Kong

	High	Low	Close	Prev.
Amoy Props	7	6.80	6.95	7.15
Bk East Asia	22.60	22.20	22.55	22.95
Cathay Pacific	11.25	10.80	11.20	11.20
Cheung Kong	37.10	36	37.10	37.10
China Light	39.90	38.90	39.50	40
Chin Estates	5.85	5.75	5.80	5.95
Citic Pacific	19.80	19.20	19.70	19.95
Cons Elec Pwr	18.15	17.50	18.15	17.80
Dao Heng Bk	22	21.80	21.85	22.50
First Pacific	7.10	7	7	7.10
Great Eagle	17.65	16.70	17.60	17.10
Guangdong Inv	4	3.75	3.98	3.85
Guoco Group	35.40	34.80	35.40	35.50
Hang Lung	12.40	12.15	12.35	12.45
Hang Seng Bk	57.25	55	57	57
Henderson Inv	6.15	5.95	6.15	6.15
Henderson Ld	43.50	42.40	42.80	43.70
HKR Intl	6.65	6.60	6.60	6.75
HK Aircraft	20.70	20.40	20.55	21.05
HK China Gas	12.35	11.90	12.25	12.50
HK Electric	26.15	25.50	26	26.30
HK Shang Htls	10.10	9.75	9.80	10.10
HK Telecomm	15.50	15.30	15.50	15.75
Hopewell Hdgs	6.20	6.05	6.15	6.25
HSBC Hdgs	95.25	94.25	95	96.25
Hutchison Wh	37.90	37	37.80	37.90
Hysan Dev	18.30	17.85	18.25	18.50
Johnson El 500	17.30	16.90	17.20	17.45
Miramar Hotel	14.90	14.90	14.90	15.10
Natl Mutual	5.10	5	5.05	5.10
New World	22.90	22.10	22.90	23
Oriental Press	3.18	3.08	3.18	3.18
Oriental Telecom	2.78	2.75	2.78	2.85
Shangri-La	8.65	8.50	8.55	8.70
SHK Props	53.25	52.50	53.25	54
Shun Tak Hdgs	5.25	5.10	5.15	5.20
Sino Land Co.	5.65	5.50	5.65	5.75
Sth China Post	4.98	4.90	4.98	4.90
Swire Pac A	54.75	53.50	54.25	55.50
Tsim Sha Tsui	5.40	5.30	5.40	5.45
TV Broadcasts	30.30	29.90	30.10	30.70
Wharf Hdgs	25.40	25	25.35	25.70
Wheelock	13.50	13.20	13.50	13.70

Dresdner Bank Stays Bullish on 1995 Earnings

Compiled by Our Staff From Dispatches

FRANKFURT — Dresdner Bank AG said Friday it was "confident" about earnings in 1995, even though first-quarter operating profit was proportionately lower than a year earlier.

Jürgen Sarrazin, the chief executive, said operating profit in the first quarter of 1995 was less than a quarter of its 1994 full-year profit. That would put first-quarter operating profit below 408.5 million Deutsche marks ($284 million).

The bank did not release figures, but it also said operating profit in the first quarter was higher than in the two previous quarters.

Market conditions in the first quarter were "difficult," Dresdner said.

"In view of the course of business in April and the first half of May, Dresdner Bank has reason to be confident about profit developments for the full year," Mr. Sarrazin said at the annual meeting.

He said the bank's income on own-account trading exceeded 100 million DM in the first quarter. He did not provide a year-earlier comparison.

Net interest income fell 5 percent in the first quarter on a proportionate basis, said Mr. Sarrazin, as growing competition and "structural changes" pushed interest margins down.

Commission income dropped 10 percent because share sales were sluggish.

Risk provisions "have developed favorably so far, but this does not yet permit a forecast for the full year," Mr. Sarrazin said.

Total assets declined about 1 percent in the first quarter, he said, mainly because of a reduction in the bank's bond holdings.

Total lending was unchanged from the first quarter, he said, as a decline in short-term loans of about 2.5 billion DM was offset by a rise in long-term loans of about 2 billion DM.

For the rest of the year, Dresdner will continue to expand its investment banking activities, mainly in the United States.

The bank also said it would continue to build its presence in Central and Eastern Europe, where it has joint-venture banks in Moscow, St. Petersburg and Warsaw, with Banque Nationale de Paris.

Dresdner Bank had a net profit of 1.03 billion DM in 1994, down 3 percent from 1993.

Dresdner Bank said it would propose an unchanged dividend of 13.50 DM a share.

(Bloomberg, AFX)

Feeding the Busy Bodies in Paris

Marks & Spencer Profits From Changing Lifestyles

By Craig R. Whitney
New York Times Service

PARIS — In the land of foie gras and chateaubriand, fish and chips has long been regarded as suspect, at best.

The French eat well, it is said, while the British merely take nourishment. But Marks & Spencer PLC, the British food and clothing retailer, is striving to change all that.

"Almost everything we've brought in from Britain has been successful," said Peter Matthews, manager of the company's largest Paris store, on the Boulevard Haussmann opposite its French competitors Au Printemps and Galeries Lafayette.

"Baby new potatoes, seedless grapes, Cox's apples," he said, naming a few of his wares. "We're trying to help the French discover things that are new to them, because they've lost that wonderful natural quality with a lot of their own produce."

Such blasphemy would be enough to make Escoffier spin in his grave, but in the age of the European single market, English palates have become more demanding, and French eating habits are becoming either lazier or — dare one say it? — less provincial.

Working people in France — as elsewhere — generally don't have time any longer to go home and prepare gourmet meals from scratch at lunchtime, and increasingly supermarkets here offer ready-to-eat, or at least ready-to-microwave, substitutes.

The surprise at "Marks & Sparks," as it is familiarly known, is that the French are no longer turning up their noses at potato and spicy tomato bake, or carrots and cauliflower, proudly marked "produce of England."

Marks & Spencer's hottest-selling food item in Paris is an Indian dish, chicken tikka masala. "There aren't many Indian restaurants in France," Mr. Matthews explained.

> **'We're going for the young 25- to 35-year-old office workers who buy convenience foods.'**
>
> **Peter Matthews of Marks & Spencer in Paris**

The food department is packed with French customers at lunchtime, and they buy $60,000 a week worth of neatly packaged $2 to $3 English-style sandwiches to take back to the office to eat.

The sandwiches are much less calorie-laden, messy, expensive and crisp than the traditional French loaf split down the middle, lathered with butter, and stuffed with ham or camembert.

"We're going for the young 25- to 35-year-old office workers who buy convenience foods," said Mr. Matthews, a 45-year-old Briton.

"Steak and kidney pie is still a small line," he said, "and fish and chips has been a slow starter, but it's just a matter of getting people to take them home and try them."

On Saturdays and holidays, the store looks like a refuge for lost British and American tourists. But its growing French clientele caused the store to expand its food-selling space to 18,000 square feet (1,620 square meters) from 15,000 square feet, covering the entire ground floor, last month. Food now accounts for 21 percent of its business; the rest comes mainly from clothing.

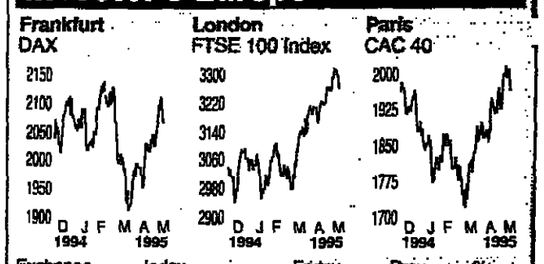
"I come here once a week to shop," said Stephane Ruffier-Meray, a 24-year-old bachelor who works in customer relations for a computer company. "The food is very tasty, it's better value for money than what I can find in French stores, and the labels tell me exactly what's in it and how fresh it is."

Marks & Spencer opened here 20 years ago, initially carrying mainly teas, biscuits and jams labeled "preserves" before the company discovered how close that was to the French word for condoms. Now it carries 1,650 food lines, including wines from France, Italy and South Africa and real Champagne from Epernay that is a bargain at $15.

The Galeries Lafayette gourmet supermarket across the street offers a vastly larger selection of French cheeses, dairy products, meats, vegetables and a reasonably priced and comprehensive selection of wines, most of which are French.

But, apart from couscous and Basque chicken, it still offers relatively few ready-to-heat meals.

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	EOE	418.82	424.81	-1.17
Brussels	Stock Exchange	7,564.78	7,614.63	-0.65
Frankfurt	DAX	2,065.13	2,087.13	-1.05
Copenhagen	Stock Market	358.53	358.69	-0.04
Helsinki	HEX General	1,820.93	1,836.91	-0.87
Oslo	OBX	389.94	394.35	-1.12
London	FTSE 100	3,261.00	3,285.80	-0.75
Madrid	Stock Exchange	291.42	294.47	-1.04
Milan	MIBTEL	10,301.00	10,426.00	-1.20
Paris	CAC 40	1,965.46	1,989.78	-1.22
Stockholm	SX 16	1,677.68	1,693.95	-0.96
Vienna	ATX	1,022.70	1,011.25	+1.13
Zurich	SPI	1,777.14	1,792.44	-0.85

Source: Telekurs International Herald Tribune

Very briefly:

- **Bell Atlantic Corp.** is abandoning an Italian joint venture with **Società Finanziaria Telefonica,** known as STET, in favor of closer ties with **Olivetti SpA;** STET has formed a joint venture with **International Business Machines Corp.**
- **News Corp.**'s chief executive, Rupert Murdoch, said the company planned to put all its newspapers on-line within a couple of years; the company recently agreed to a $2 billion venture with **MCI Corp.** to help it achieve the goal.
- **Abbey National PLC** said it made a formal merger proposal to **National & Provincial Building Society;** the bank did not disclose details of the bid, but analysts said it would have to be worth around £1.5 billion to sway National & Provincial's board.
- **Bic SA** said it had launched an offer to buy out minority shareholders of its U.S. subsidiary, Bic Corp., for $36.50 a share.
- **Italy's** budget deficit shrank 17 percent, to 36.30 trillion lire ($21.9 billion), in the first quarter from a year earlier; industrial output rose 9 percent in March from the year before.
- **Cie. Luxembourgeois de Télédiffusion** and **Walt Disney Co.** won permission from the European Commission to set up a TV channel to be called **Super RTL.** *AFX, AP, Bloomberg, Reuters*

Mercury Sells Holvis Stock

International Herald Tribune

PARIS — International Paper Co. bought a 25 percent stake Friday in its takeover target Holvis Holzstoff AG, exercising a purchase option after a second American company said it would make a higher offer.

When International Paper offered to buy the Swiss paper company for 435 Swiss francs ($357) a share, or about 387 million francs, on April 24, it said it had agreed to buy shares from Mercury Asset Management at 435 francs. It exercised an option to buy 216,909 shares Friday. Mercury has an option to sell a further 6 percent stake at 435 francs a share.

InterTech Group Inc., a South Carolina-based industrial company, said on Tuesday it would offer at least 500 francs a share by next Wednesday. Holvis's shares, which traded at 350 francs before the International Paper offer, were bid at 510 in Zurich on Friday, down 22 from Thursday's close.

Holvis has rejected the International Paper offer and has not yet formally responded to the InterTech bid, although an executive said it "more fully reflects the value of the company."

International Paper would profit by selling its shares to InterTech, should that company make a higher offer.

Takeover Moves VIAG Toward Its Goal

By Brandon Mitchener
International Herald Tribune

MUNICH — VIAG AG, a conglomerate that got its start in energy, aluminum and fertilizers in 1923, is slowly becoming the competitive high-technology company of its executives' dreams.

Alfred Pfeiffer, the company's chairman, on Friday described the recent takeover of Bayernwerk AG, Germany's third-largest utility, as "a stroke of good fortune that only comes along once every few decades."

VIAG, which already had held 38.8 percent of Bayernwerk, last year bought most of the rest of the company from the Bavarian government.

Referring to two other big German utility groups, Georg Obermeier, the company's chairman-elect, said the Bayernwerk acquisition had given Viag "the structure VEBA and RWE have had for a long time."

Those companies, like VIAG, have embarked on an ambitious drive into telecommunications and other high-tech fields, financed by a combination of robust income from utilities and diversified industrial holdings.

With British Telecom PLC, VIAG plans to compete for business in voice, data and video communications when the German market is liberalized in 1998.

Maximilian Ardelt, a VIAG board member, said the company eventually hoped to attain sales of 4 billion Deutsche marks ($2.7 billion) in telecommunications but would first have to shell out 2 billion DM in capital expenditures.

VIAG posted a first-quarter net profit Friday of 1.12 billion DM ($774 million), up from just 302 million DM a year earlier. The figures included Bayernwerk for the first time. The company said sales rose 78 percent, to 10.9 billion DM.

The company said it would raise its 1994 dividend by 1 DM, to 10 DM a share.

Without Bayernwerk, earnings would have risen 18 percent, VIAG said.

■ Trostberg Initial Offering Is Priced

Shares in the initial public offering of SKW Trostberg AG were priced at 29 DM, the lead underwriter, Deutsche Bank AG, said, according to a Bloomberg Business News report from Frankfurt.

Deutsche Bank said the offering would raise 910.6 million DM.

SKW Trostberg is a specialty-chemicals company controlled by VIAG, which owns 50.1 percent of the shares. VIAG will retain a controlling interest in SKW.

Deutsche Bank said two-thirds of the shares would be earmarked for domestic investors. Trading of the shares will begin Wednesday in Frankfurt and Munich.

W.H. Smith Shares Plummet

Bloomberg Business News

LONDON — Shares in W.H. Smith Group PLC tumbled 15 percent Friday after the company forecast an 8 percent drop in annual pretax profit.

The retailer of books, newspapers, music and hardware said it expected annual profit before exceptional items to be about £115 million ($180 million). The estimate falls short of analysts' expectations.

Sir Malcolm Field, Smith's chief executive, said the addition of 50 multimedia electronics departments by September and 100 children's department's by Christmas would help improve performance.

"I can't see the problems going away," said Ian McDougall, an analyst with Williams de Broë PLC. "Smith has admitted that it's an issue of competition chipping away at its core markets."

W.H. Smith will report the results Aug. 23.

AMEX

Friday's 4 p.m. Close

The top 300 most-active shares, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge

U.S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	4314.01	4345.48	4311.24	4341.33	+0.69
Trans.	1638.99	1639.00	1623.46	1626.66	—13.28
Util	195.49	196.55	195.29	195.47	—0.59
Comp	1422.82	1431.00	1421.93	1427.19	—4.06

Standard & Poor's

	High	Low	Close	Ch'ge
Industrials	618.18	615.07	618.00	—0.02
Transp.	397.78	393.71	394.90	—2.88
Utilities	161.32	160.55	161.15	+0.09
Finance	49.85	49.36	49.57	—0.28
SP 500	519.58	517.07	519.19	—0.39
SP 100	493.33	490.36	493.33	+0.83

NYSE

	High	Low	Last	Chg.
Composite	279.80	278.42	279.49	—0.31
Industrials	354.31	352.63	354.20	—0.11
Transp.	254.47	251.99	252.55	—1.92
Utility	208.65	207.81	208.54	—0.01
Finance	228.38	226.32	227.30	—1.08

Nasdaq

	High	Low	Last	Chg.
Composite	863.75	859.10	863.40	—0.66
Industrials	826.35	821.37	825.40	—2.15
Banks	805.14	803.39	805.00	—1.80
Insurance	1030.85	1027.95	1030.85	—1.90
Finance	982.73	979.15	982.73	—1.51
Transp.	743.92	738.03	742.29	+0.39

AMEX

High	Low	Last	Chg.
487.76	485.71	487.73	+0.28

Dow Jones Bond

	Close	Ch'ge
20 Bonds	100.36	—0.04
10 Utilities	96.15	—0.11
10 Industrials	104.58	+0.03

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
CallGolf s	66867	14¼	12⅛	13⅜	−1⅜
Merck	37668	42¾	41⅞	41⅞	+⅝
WalMart	37587	24⅞	24⅜	24¾	+⅛
AT&T	37178	50¼	49¾	50¼	+⅜
TelMex	36529	30¼	29¾	30	—⅜
IBM	36251	93¾	92¼	93⅛	—
CocaCl	34010	58⅞	57	58⅜	+1⅛
GenElec	33247	56¾	56	56½	—
GnMotr	30090	46⅜	44¾	46¼	+⅝
AmExp	29533	35⅛	34½	34½	—⅛
MicrnTc	29150	96⅜	92⅞	96⅝	+2⅞
UnTex	27582	22⅞	21⅝	22⅞	+¼
FordM s	26260	28⅞	27⅞	28⅝	+⅜
Compaq s	25517	40	39½	40	—
HmeDep	25350	40⅜	39¾	40⅛	—⅛

Nasdaq

	Vol.	High	Low	Last	Chg.
Intel	87982	113⅛	109⅞	111⅜	+⅜
Boon n	58307	29⅜	25¼	25½	—
MCI	35835	21⅛	20⅝	20⅞	+¼
Fonar	29174	3 11/16	2 21/32	3 9/16	−1⅛
AppleC	28744	43⅜	42⅝	42⅝	—⅛
Cisco	28547	44⅞	43¼	44 9/16	+9/16
Micsft s	27983	85½	84	85⅜	+⅜
Intel wt	27353	47⅞	45	46½	+9/16
OrionP	26561	8	7¼	7⅞	+¼
Brunos	26370	11⅝	11⅜	11½	+1
ApldMatl	24818	81¼	78¾	80	—¼
Centocor	24752	16¾	14⅜	16⅛	+1⅜
Oracle s	23314	34	33	34	+⅝
Novell	23032	21⅜	21	21 1/16	+1/16
Netcom	22867	27	25½	25¾	—1⅜

AMEX

	Vol.	High	Low	Last	Chg.
ViacB	12230	47⅞	47½	47⅝	—¼
ForstLb	8394	42⅞	41⅛	42	+¾
FAusPr	6162	8⅜	8 5/16	8¼	—1/16
Rstint	5164	2 11/16	2¾	2 11/16	—1/16
ChevSoft	4730	14¼	13⅝	14	+½
Intelcm	4631	8 5/16	7 11/16	8 5/16	+¼
SPDR	3549	52 1/16	51 25/32	52 1/32	+1/32
PageAm	3508	1⅞	1 13/16	1⅞	—
Amdhl	3332	12½	12¼	12⅜	—¼
XCL Ltd	3160	5/16	¼	5/16	+1/16

Trading Activity

NYSE

	Close	Prev.
Advanced	885	552
Declined	1324	1780
Unchanged	777	662
Total issues	2986	2994
New Highs	23	75
New Lows	19	11

AMEX

	Close	Prev.
Advanced	235	218
Declined	289	356
Unchanged	218	190
Total issues	742	764
New Highs	13	21
New Lows	9	6

Nasdaq

	Noon	Prev. Close
Advanced	1108	1360
Declined	1693	1956
Unchanged	2330	1816
Total Issues	5131	5132
New Highs	59	149
New Lows	52	69

Market Sales

	Today Close	Prev. cons.
NYSE	353.12	430.28
Amex	14.94	24.00
Nasdaq	301.61	388.18

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Mesa Royalty Tr	-	.294	5-31	7-31
Sentinel TxFr	-	.054	5-24	5-31
Vitro SocAnon	b	.1518	5-30	
b-approx amount per ADR; pay date unannounced.				
STOCK				
Fst Alliance	-	5%	4-28	5-31
STOCK SPLIT				
Informix Corp 2 for 1 split.				
INCREASED				
Auto Data Process	Q	.175	6-16	7-1
Badger Meter	Q	.20	6-1	6-14
Commerce Grp	Q	.06	6-2	6-16
Energy West	Q	.10	6-9	6-23
MyersLE	Q	.0625	6-1	6-15
SPECIAL				
Wayne Svgs&Ln	-	.26	5-30	6-15
Webster City Fed	-	.25	6-5	6-22
REGULAR				
Alex & Alex	Q	.025	6-1	6-30
Allegheny Ludlum	Q	.12	5-31	7-3
AmerFst PrepFd 2	M	.1219	5-31	6-30
Autoclave Eng	Q	.06	5-31	6-15
BMJ Fincl	-	.05	6-16	7-1
Balrnco Cp	Q	.05	6-6	7-5
Bancroft Cv	Q	.29	6-12	6-26
Bank South	Q	.14	6-15	7-3
Benetton Grp	b	.464	5-25	6-12

Company	Per	Amt	Rec	Pay
CS FstBoston Inco	M	.06	6-1	6-15
CS FstBoston Strat	M	.0675	6-1	6-15
Coples A	Q	.03	6-1	6-15
Chateau Prop	Q	.375	6-23	7-14
Community Bk Syst	Q	.30	6-15	7-10
Computer Assoc	S	.10	6-20	7-5
Conn Water	Q	.42	6-1	6-15
Conserv Svgs	Q	.03	5-26	6-2
Delta Natural	Q	.28	6-1	6-15
E Town	Q	.51	6-26	6-30
FL E Coast	Q	.10	6-9	6-23
FL Progress	Q	.505	6-5	6-20
Fst Hawaiian	Q	.295	6-1	6-15
Fstbank of IL	Q	.22	6-16	7-1
G&K Services A	Q	.0175	6-8	6-22
Georgia Gulf	-	.08	6-16	7-7
Isco Inc	Q	.05	6-9	7-1
KeyCorp	Q	.36	5-30	6-15
Marine Petrol	Q	.2593	5-31	6-28
Matewan Bncshrs	Q	.10	6-1	6-15
Mesa Offshore	M	.0047	5-31	7-31
Miss Valley Bcshs	Q	.08	6-15	6-30
Pitt-Des Moines	Q	.25	6-16	6-30
Rwaltv Income	M	.15	6-1	6-15
SCEcorp	Q	.25	7-5	7-31
Scotsman Ind	Q	.025	6-30	7-14
Sth Jersey Ind	Q	.36	6-9	6-30
Spar Aerospace	g	.06	6-19	7-3
Sterling Bncp NY	Q	.06	6-15	6-30
United Illum	Q	.705	6-5	7-1
Wellco Enterpr	S	.125	6-2	6-23

b-approx amount per ADR.

a-annual; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s). b — annual rate of dividend plus stock dividend. c — liquidating dividend. cld — called. d — new yearly low. e — dividend declared or paid in preceding 12 months. g — dividend in Canadian funds, subject to 15% non-residence tax. i — dividend declared after split-up or stock dividend. j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k — dividend declared or paid this year, an accumulative issue with dividends in arrears. n — new issue in the past 52 weeks. The high-low range begins with the start of trading. nd — next day delivery. P/E — price-earnings ratio. r — dividend declared or paid in preceding 12 months, plus stock dividend. s — stock split. Dividend begins with date of split. sls — sales. t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u — new yearly high. v — trading halted. vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd — when distributed. wi — when issued. ww — with warrants. x — ex-dividend or ex-rights. xdis — ex-distribution. xw — without warrants. y — ex-dividend and sales in full. yld — yield. z — sales in full.

INTERNATIONAL FUTURES

May 19, 1995

Grains

CORN (CBOT)
5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	Opint
May 95	2.56	2.52	2.52¼	—0.03¼	642
Jul 95	2.61½	2.58	2.58½	—0.02¾	139,468
Sep 95	2.65	2.63	2.63½	—0.02¼	34,293
Dec 95	2.69¼	2.66½	2.67¼	—0.02½	161,432
Mar 96	2.75	2.72¾	2.73¼	—0.02¼	16,892

Est. sales N.A. Thu's. sales 50,882
Thu's open int 368,103 up 6478

SOYBEAN MEAL (CBOT)
100 tons- dollars per ton

	High	Low	Close	Chge	Opint
May 95	170.60	168.50	170.60	+0.40	619
Jul 95	174.00	172.30	172.50	—1.40	39,143
Aug 95	175.80	174.10	174.50	—1.10	10,616
Sep 95	177.40	176.20	176.20	—0.80	8,237
Oct 95	179.00	177.80	177.90	—0.60	9,649
Dec 95	182.30	181.00	181.20	—1.40	13,917

Est. sales N.A. Thu's. sales 22,410
Thu's open int 83,652 off 847

SOYBEAN OIL (CBOT)
60,000 lbs- dollars per 100 lbs.

	High	Low	Close	Chge	Opint
May 95	25.75	25.18	25.37	—0.23	179
Jul 95	25.55	25.08	25.22	—0.40	32,155
Aug 95	25.53	25.12	25.23	—0.44	10,182
Sep 95	25.52	25.15	25.26	—0.46	8,922
Oct 95	25.50	25.15	25.25	—0.40	6,700
Dec 95	25.47	25.10	25.25	—0.34	15,757

Est. sales N.A. Thu's. sales 27,818
Thu's open int 76,584 off 5295

SOYBEANS (CBOT)
5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	Opint
May 95	5.78	5.74½	5.74¾	—0.05¼	563
Jul 95	5.87¾	5.82	5.82½	—0.07	58,640
Aug 95	5.92½	5.87	5.87½	—0.06	13,772
Sep 95	5.96	5.91½	5.92	—0.06	6,004
Nov 95	6.04½	5.99½	6.00¼	—0.06	40,270

Est. sales N.A. Thu's. sales 56,763
Thu's open int 128,130 off 2189

WHEAT (CBOT)
5,000 bu minimum- dollars per bushel

	High	Low	Close	Chge	Opint
May 95	3.79	3.70	3.79	+0.10	188
Jul 95	3.64	3.56¼	3.59	—0.00¾	39,760
Sep 95	3.71	3.63½	3.65½	—0.00½	11,056
Dec 95	3.84	3.76	3.78¾	—0.00½	14,535

ORANGE JUICE (NCTN)
15,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
Jul 95	109.00	104.75	108.85	−3.95	13,927
Sep 95	113.20	108.80	112.70	+3.80	7,307
Nov 95	109.20	106.90	109.20	+2.10	2,166
Jan 96	111.10	108.55	111.10	+2.25	

Est. sales N.A. Thu's. sales 230
Thu's open int 27,277 off 126

Metals

GOLD (NCMX)
100 troy oz.- dollars per troy oz.

	High	Low	Close	Chge	Opint
Jun 95	384.80	383.00	383.10	—1.10	61,500
Aug 95	387.90	386.10	386.20	—1.20	37,763
Oct 95	390.60	390.00	389.40	—1.20	7,140
Dec 95	394.80	392.70	392.70	—1.20	18,019
Feb 96	397.70	396.80	396.80	—0.40	13,855
Jun 96	404.00	403.50	404.00	+0.10	6,901
Aug 96			406.30	—0.90	
Oct 96			409.80	—0.80	

Est. sales N.A. Thu's. sales 32,900
Thu's open int 176,637 up 801

HI GRADE COPPER (NCMX)
25,000 lbs.- cents per lb.

	High	Low	Close	Chge	Opint
May 95	128.20	126.90	127.70	—0.05	3,158
Jun 95	126.60	125.70	126.50	+0.65	1,923
Jul 95	125.25	124.25	124.90	—0.05	34,376
Sep 95	123.20	122.50	123.15		6,183
Oct 95			122.05	—0.10	
Nov 95			121.15	—0.10	
Dec 95	120.30	120.00	120.25	—0.10	3,969
Jan 96			118.90	—0.10	
Mar 96	116.80	116.75	116.85	—0.20	1,766

Est. sales N.A. Thu's. sales 6,333
Thu's open int 54,321 off 488

SILVER (NCMX)
5,000 troy oz.- cents per troy oz.

	High	Low	Close	Chge	Opint
May 95	540.0	535.0	534.3	—1.0	113
Jun 95			535.3	—1.2	
Jul 95	546.0	536.5	538.0	—1.2	53,069
Sep 95	551.5	542.0	543.6	—1.2	12,636
Dec 95	559.5	550.0	551.5	—1.2	15,805
Jan 96			554.0	—1.2	
Mar 96			559.6	—1.2	
May 96	567.0	567.0	565.0	—1.2	

Est. sales N.A. Thu's. sales 15,046
Thu's open int 109,493 off 431

PLATINUM (NMER)

10-YEAR FRENCH GOV. BONDS (MATIF)
FF500,000 - pts of 100 pct

	High	Low	Close	Change
Jun	115.82	115.46	115.60	—0.24
Sep	115.20	114.94	115.06	—0.22
Dec	114.90	114.66	114.76	—0.24

Est. volume: 101,340. Open int.: 154,878.

ITALIAN GOVERNMENT BOND (LIFFE)
ITL 200 million - pts of 100 pct

	High	Low	Close	Change
Jun	101.40	100.25	100.55	—0.82
Sep	100.40	99.70	99.93	—0.78

Est. volume: 45,286. Open int.: 48,650.

EURODOLLARS (CMER)
$1 million-pts of 100 pct.

	High	Low	Close	Chge	Opint
Jun 95	93.900	93.870	93.890		372,249
Sep 95	93.990	93.940	93.970		360,315
Dec 95	93.960	93.880	93.920		315,353
Mar 96	93.950	93.880	93.930		268,490
Jun 96	93.810	93.760	93.800		185,339
Sep 96	93.690	93.650	93.680		163,118
Dec 96	93.510	93.480	93.500		132,080
Mar 97	93.470	93.440	93.460		104,665

Est. sales N.A. Thu's. sales 360,842
Thu's open int 2,491,309 off 926

BRITISH POUND (CMER)
$ per pound- 1 point equals $0.0001

	High	Low	Close	Chge	Opint
Jun 95	1.5768	1.5680	1.5700	—64	27,027
Sep 95	1.5740	1.5650	1.5672	—64	1,307
Dec 95			1.5628	—64	171
Mar 96			1.5574	—64	1

Est. sales N.A. Thu's. sales 9,310
Thu's open int 28,506 up 22

CANADIAN DOLLAR (CMER)
$ per dlr- 1 point equals $0.0001

	High	Low	Close	Chge	Opint
Jun 95	.7373	.7351	.7367	—4	40,091
Sep 95	.7351	.7320	.7346	—4	4,250
Dec 95	.7327	.7320	.7329	—4	2,313
Mar 96			.7312	—4	758

Est. sales N.A. Thu's. sales 2,678
Thu's open int 47,835 off 421

GERMAN MARK (CMER)
$ per mark- 1 point equals $0.0001

	High	Low	Close	Chge	Opint
Jun 95	.6980	.6905	.6914	—30	64,048
Sep 95	.6999	.6935	.6942	—29	5,321
Dec 95	.7020	.6970	.6968	—28	1,332
Mar 96			.6992	—26	98

Est. sales N.A. Thu's. sales 39,822
Thu's open int 70,799 up 1630

HEATING OIL (NMER)
42,000 gal- cents per gal

	High	Low	Close	Chge	Opint
Jun 95	51.05	50.25	50.99	+0.43	22,340
Jul 95	51.15	50.30	51.00	+0.36	25,359
Aug 95	51.35	50.60	51.30	+0.36	10,581
Sep 95	52.00	51.25	51.95	+0.41	8,932
Nov 95	53.00	53.00	53.00	—0.14	4,885
Dec 95	54.35	53.70	54.25	+0.26	12,050
Feb 96	54.30	54.30	54.30	+0.41	6,358

Est. sales 23,870 Thu's. sales 26,003
Thu's open int 112,483 up 3498

LIGHT SWEET CRUDE (NMER)
1,000 bbl.- dollars per bbl.

	High	Low	Close	Chge	Opint
Jun 95	20.10	19.80	20.02	+0.02	37,207
Jul 95	19.95	19.67	19.88	+0.06	75,949
Aug 95	19.70	19.49	19.66	+0.05	40,045
Sep 95	19.47	19.32	19.40		26,406
Oct 95	19.23	19.16	19.19	—0.03	16,402
Nov 95	19.08	19.01	19.08	+0.01	16,036
Dec 95	18.95	18.87	18.94		19,180
Jan 96	18.82	18.79	18.79	—0.03	15,028
Feb 96	18.73	18.65	18.73	—0.01	9,529
Mar 96	18.63	18.62	18.64	—0.02	9,820
Apr 96	18.60	18.53	18.60	+0.02	
May 96	18.50	18.48	18.48	—0.04	5,643
Jun 96	18.49	18.46	18.49		15,445

Est. sales 95,792 Thu's. sales 101,916
Thu's open int 343,284 off 2084

NATURAL GAS (NMER)
10,000 mm btu's, $ per mm btu

	High	Low	Close	Chge	Opint
Jun 95	1.754	1.710	1.735	—8	18,798
Jul 95	1.857	1.815	1.835	—11	34,709
Aug 95	1.895	1.841	1.875	+10	17,720
Sep 95	1.893	1.842	1.880	+10	15,853
Oct 95	1.910	1.863	1.900	+7	12,717
Nov 95	1.975	1.930	1.965	—1	8,067
Dec 95	2.045	2.025	2.035	—3	14,124
Jan 96	2.055	2.035	2.050		12,183
Feb 96	1.980	1.960	1.980		5,246
Mar 96	1.930	1.915	1.920	—5	4,633
Apr 96	1.880	1.870	1.875		3,237

Est. sales 41,204 Thu's. sales 61,308
Thu's open int 161,186 up 10376

UNLEADED GASOLINE (NMER)
42,000 gal- cents per gal

	High	Low	Close	Chge	Opint
Jun 95	66.75	65.25	66.25	—0.25	29,444

NASDAQ

Friday's 4 p.m.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
		A								
19⅝	12⅝	ACC Cp	.12	.8	...	79	15¼	15	15½	—¼
19	5½	ACS Enf		—	—	148	17½	17⅜	17½	—
15½	12¾	ACT Mf n		—	—	789	13¾	12¾	13¼	+1
44¾	31½	ACX Tc		—	21	309	40½	39¼	39¼	
34¾	18¼	ADCTel s		—	37	10078	29	27¼	28¼	—2⅝
16⅝	11	ADESA		—	24	76	u17	16⅞	16⅞	—⅛
28⅞	13½	ADFlex		—	22	161	u28½	27	28½	+⅞
21¼	15¾	AES Cp		—	13	1866	17¾	17½	17½	+½
31½	18⅞	APS Hld		—	10	201	26	25½	25½	—¼
35⅝	19½	ASM Lit n		—	...	2157	34½	33⅝	33¼	—1⅛
19⅞	10⅝	AST		—	...	2991	18½	18⅛	18⅛	—⅜
40¾	13½	AbbeyH		—	36	1826	36	34⅝	35¾	+⅞
14½	4½	AbleTel		—	...	1820	6⅞	6⅛	6⅛	—⅛
21¼	12¾	Acclaim		—	15	3144	17½	16⅞	16⅞	—⅜
24¾	10⅝	AccuStff		—	27	97	20¾	20½	20½	—⅜
13½	7¼	Actel		—	...	901	12¼	12	12¼	—⅛
29	15⅞	ActVoic		—	23	25	26	26	26	
18¾	9¼	Acxiom s		—	34	1835	18¼	17¾	18⅛	—⅛
37	14¾	Adaptec		—	17	16013	30⅝	29¾	30⅛	—⅝
58⅞	24	AdobeSy	.20	.4	...	10563	54¾	53¼	54	—⅜
34⅞	10⅝	Adtran s		—	58	1508	32½	30½	32¼	+½
35½	19½	AdvHlt		—	18	7	27½	26⅞	26⅞	—½
9½	4¼	AdvTiss		—	...	1439	6	5⅞	5⅞	—⅛
41¾	24¼	Advanta	.27	.7	14	2535	38¼	37¼	38	—⅜
37⅞	23¼	AdvantB	.32	.9	13	242	35¼	34¾	34¾	—⅝
30½	17	AffCmpS		—	...	1454	26¾	25¾	26	—⅜
19¼	9¾	Agouron		—	...	297	18¾	18	18	—⅛
26½	14⅝	AirExp s	.16	.7	17	237	23⅝	23	23	—⅜
63¾	52½	Akzo	2.08e	3.7	...	296	56⅝	56⅛	56⅝	—⅜
46½	9¼	Alantec		—	59	2824	37¾	35½	36	—⅞
28½	21	Albank	.48	1.9	12	127	25½	25⅛	25¼	—⅛
16⅝	4½	Aldila		—	8	3298	6½	5⅜	5⅞	—⅝
26⅞	20½	AlexBld	.88	3.6	17	2440	24½	23¾	24½	+¼
6⅛	4	AlexEng		—	...	1391	4¼	4⅛	4⅛	...
34⅝	10¾	AliasR		—	35	118	33⅝	33	33¼	—¼
51	6	AlnSem s		—	42	2107	43⅝	41½	43½	+1¼
87½	21⅜	Altera		—	81	11250	83⅞	81¼	82⅝	+⅝
42½	19¾	AltResc		—	45	63	41	40½	41	...
20¼	8⅛	Altron s		—	18	1604	19½	18½	19⅛	+½
48⅛	13¾	AmerOn s		—	...	8054	36⅝	34	35⅞	+⅜
32⅛	19	ABnkr	.72	2.4	10	396	30	29½	29⅞	—⅛
25⅝	12½	AmBusin		—	26	916	u25½	25	25⅛	+¼
19⅝	9¾	AClasVoy	.16	1.5	...	456	10⅝	9¾	10⅝	+⅜
20¾	12½	AEagleO		—	15	851	15½	14¾	14⅞	—⅝
24⅞	17⅜	AmFrght		—	22	206	21⅝	20¾	21⅛	+¼
31⅞	25⅝	AGreet	.56	2.0	14	1837	28⅝	27⅞	27⅞	+⅜
32⅞	13⅞	AHomPat		—	12	210	31½	31	31⅛	+½
24⅝	14⅝	AMS s		—	27	897	23⅝	22⅝	23⅛	+½
68⅛	44¼	ANtIns	2.36	3.6	8	412	66¼	65⅛	65¼	—1⅛
23¼	14⅜	APwrCnv		—	21	71013	17⅝	16⅝	17¼	+⅜
23⅜	15⅝	ASavFL		—	11	116	20⅞	20⅛	20⅛	
21	6½	ASensrs s		—	...	228	9⅛	8⅞	9	—⅛
22¼	9¼	AmTele		—	...	450	14¼	13⅜	14¼	...
20½	12¾	ATravel		—	11	99	19⅞	18⅝	18⅞	—⅝
76⅛	40⅞	Amgen		—	30	7272	72½	70¼	72⅛	+⅞
18½	6⅛	AmtchCp	.02i	—	28	221	7	6⅝	6⅞	+⅛
32⅞	22⅜	Andrew s		—	37	1743	52	50	50⅞	—⅛
38½	15	Antec		—	27	1329	22⅝	21⅞	22	—½
15	3⅝	Apertus		—	15	4089	10⅝	9⅞	10¼	
22⅜	12	Apogee		—	42	73	16⅝	16	16	—⅝
21⅜	8¼	ApolloG s		—	...	629	u22½	21⅜	22½	+⅞
49⅞	24⅝	AppleC	.48	1.1	10	28744	43⅝	42⅝	42⅞	—⅝
18⅜	10⅝	ApISou s	.02i	.1	29	1266	16⅛	15⅝	15⅝	
26⅛	11	Applebee	.06	.2	42	2076	24¾	24	24½	—⅛
17⅞	6⅝	ApdExtr		...	14	1036	16	15⅜	16	+½
30½	10⅝	ApdDgtl		...	15	1180	14	13½	13½	—⅝

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
16¼	11	C ATS n		—	...	1109	12¼	11½	12	—¼
28½	14⅝	C-CUBE		—	56	2517	28⅛	24½	26⅛	—1
34½	9	C COR s		—	27	284	23⅞	22½	23¼	—⅜
40	16½	CDW Cpt		—	37	770	39¼	38⅜	38⅝	—⅝
33⅝	3⅛	CNS		—	...	4858	33½	30¾	32⅞	+⅞
30	20⅞	CSF Hld		—	7	106	29⅞	29⅞	29⅞	—⅜
17½	14½	Cadmus	.20	1.1	20	12	18½	18½	18½	—½
19⅝	6¼	Caere		—	37	1787	8½	8⅛	8⅝	+¼
15	5⅜	Cagene		—	...	1586	6¾	6½	6½	—⅛
39⅜	19¼	CalMic		—	23	1543	31⅞	30	31	+⅜
27½	19⅞	Calumet s		—	11	59	26⅝	26⅝	26⅝	
36¼	14	CambTch		—	62	487	32⅛	30⅝	32¼	+⅞
18⅛	9	CamrAsh		—	8	763	11⅝	11	11½	+⅛
44⅞	20¼	CWlneA		—	36	1131	41½	39⅞	40	—⅞
23	15⅝	Carauslr	.42	2.2	13	241	19⅝	19	19⅛	—⅜
6⅝	1½	CareGp		—	29	3127	4⅝	4⅛	4⅝	...
20⅝	11½	CareerStf		—	28	163	15	14⅝	14⅞	...
31⅝	24⅛	CarlCm	.82e	2.7	54	6	30⅝	30¼	30¼	...
75¼	21	CascCom		—	75	1792	67⅞	66½	67⅛	...
17½	10¾	Caseys	.08	.5	19	479	16⅝	16⅛	16½	—⅛
23⅞	7	CasinoAm		—	14	1253	15⅝	15⅛	15½	+⅛
27½	11½	CasinoDS		—	14	296	14¾	14¼	14⅜	...
9⅝	4⅜	CasMagic		—	...	3411	6⅝	6⅛	6⅝	+⅛
14¾	5	CataCp	.16	1.9	14	401	8½	8⅛	8½	—⅛
21	11⅜	Celadon		—	20	235	16½	16	16¼	...
28¼	13½	Celestial		—	72	165	18⅞	17¾	18½	—⅛
28	8⅛	CellPro		—	...	1057	11⅛	11	11	—⅛
25½	10⅞	Cellstar		—	20	2800	20½	20	20⅛	—⅜
55⅝	44⅛	CelCmA		—	92	923	46⅞	45⅞	45⅞	—⅜
51½	27	Cell Intl		—	—	117	41⅝	40¾	41⅛	...
37½	21½	CelCmPR		—	...	259	32	31½	31½	—⅛
19⅞	8¼	CellrTch		—	82	560	18⅞	18⅜	18⅛	—⅛
20½	13½	CentCel		—	...	208	14½	14	14½	+⅜
18	9¼	Centrak	.10e	.8	10	181	13⅝	13	13	—⅝
25¼	10	Centgrm		—	27	374	14	13½	14	...
21	9⅞	Centocor		—	...	24752	16⅜	14¾	16¼	—1⅜
34½	23¾	CFidBk	1.20f	4.3	13	991	27⅞	27½	27¾	...
13½	5¼	Cephln		—	...	1235	9⅝	8⅞	9¼	...
37	24⅞	Cerner		—	41	2538	u57⅜	55⅝	57⅛	—2¼
78½	16⅝	Cervecer	.59e	2.4	28	1122	24⅝	23⅝	24½	+¼
10¼	4	ChrmSh	.09	2.0	18	8853	4⅝	4⅛	4½	...
25⅛	17⅜	ChtOneF	.76	3.2	8	574	24⅝	24	24	—½
6⅝	1⅛	Checkers		—	...	2074	2⅛	2⅛	2⅛	...
25⅜	13⅜	Cheesack		—	33	1969	24½	23¼	24	...
17⅜	9⅞	ChildDis		—	28	14	16⅝	16½	16⅝	+⅛
50½	21	Chipcm s		—	24	4355	34	33	33⅝	+⅛
11⅛	3⅝	ChpsTc		—	38	6382	11	10	11	+⅞
85	47⅝	Chiron		—	...	8520	52⅛	49⅞	51	+1
20½	8⅞	Chronimd		—	91	1815	14⅝	13⅝	14⅞	+1⅞
16¾	7⅜	CIBER		—	23	70	13⅝	13¼	13⅝	...
39⅝	15⅜	Cidco		—	30	2461	35½	34⅛	34⅝	—⅝
57	43¼	CinnFin	1.36b	2.4	14	442	56	55	55⅞	—⅜
14	2⅞	CinMic		—	...	1205	12⅝	12	12	—⅝
40⅛	29⅜	Cintas	.20	.6	27	3134	35½	34⅝	35	—½
24⅛	8⅛	Circon		—	33	439	16½	16⅛	16⅞	+⅛
54⅜	21	Cirrus		—	26	9172	51⅜	50¼	51⅛	—⅜
46⅛	18⅞	Cisco		—	32	20547	44⅝	43⅝	44⅝	+⅞
24⅛	11⅛	Citicast s		—	...	735	21½	21	21⅛	—1
21⅜	8¼	Clinicom		—	55	450	17½	16½	17	—½
41½	14	Cobra s		—	17	6689	26⅝	23⅝	25½	—1
30¼	19¼	Coflexip	.31e	1.1	...	191	27⅝	27½	27⅝	+⅛
31⅜	11⅜	Cognex		—	30	491	29⅜	29	29⅛	—⅛
26⅛	9¼	Cognos g		—	...	1138	26	25⅛	25⅛	—⅜
25½	6	CoherCm		—	38	750	25¼	24⅜	25¼	+⅜
30⅛	12	Coherent		—	20	1393	28	26⅝	27⅜	—⅜
45	15½	Conu	.32f	.8	16	735	41⅞	39	41⅞	—⅜
22⅝	13¼	CTaylor	.28	1.4	15	612	19⅞	19	19⅛	—⅝
28⅛	16⅝	Colagen	.15	.9	21	1200	17½	16⅞	17⅜	+⅛
23⅞	15½	ColctBcp	.60	2.9	7	582	20⅝	20⅛	20⅝	+⅛
27⅛	13⅜	Comair	.32	1.4	16	2165	24	22⅞	23	+⅝
19⅛	13⅜	Comcast	.09	.6	...	2525	16	15⅝	15⅞	...
19⅛	13⅜	Comc sp	.09	.6	—	8902	16⅛	15⅝	16	—⅛
20⅝	13⅜	CmcstUK		—	...	4316	14⅞	14⅜	14½	—⅛
13¼	6⅜	Comdata		—	14	618	13⅛	12⅝	13	...
29⅝	15⅝	Commnet		—	...	762	27½	26⅜	26⅞	+⅜
22⅜	15⅝	CmcBNJ	.65b	3.7	8	912	17⅜	17⅝	17⅝	+⅛

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
22⅝	19	BobEvn	.29	1.4	16	1282	20⅞	20½	20½	—⅛
15⅝	4⅛	BocaRs		—	22	2365	u16⅛	14½	16⅛	—⅛
17⅝	10¼	BookM s		—	33	553	15⅛	15⅛	15⅝	—⅛
20⅝	9¼	Boomtwn		—	—	278	11⅛	10⅞	10¾	—⅛
14⅝	6	Borlnd		—	—	9890	12⅝	11⅞	12¼	+⅛
40½	24	BostBc	.76	2.1	9	496	37	35	36⅞	+⅛
24⅛	13½	BostCh s		—	49	5510	22⅞	22½	22¼	—⅛
18⅝	7⅝	BostTc		—	29	2507	15⅞	15½	15⅝	—⅛
15½	8¼	BtMach		—	...	113	15¼	14½	15¼	+⅛
21⅞	8½	BriteV		—	24	766	18⅝	18	18⅛	+⅛
31⅝	14½	BrdbdTc		—	...	799	24½	24¼	24¾	—⅛
23	10⅛	BdwySey		—	24	156	16½	17¼	18⅛	—⅛
60	18⅝	BroadSf s		—	43	6559	48	46	46⅝	—1⅛
36⅝	26½	BklynBc		—	12	1019	31¼	30¼	31¼	+⅛
18⅝	9	BrooksA n		—	...	2643	u20⅜	17⅜	20¼	+2¼
18¼	5⅝	Brktree		—	54	721	17⅝	16⅜	17⅛	—⅛
19⅝	9	Brokfrt		—	23	223	15¼	14⅜	15⅜	
15¼	7½	BroGour		—	...	259	10¼	9½	9½	—⅛
16⅝	9⅝	BrTom		—	60	427	14	13⅛	13⅞	...
12¼	6⅞	Brunos	.26	2.3	18	26370	11⅝	11⅛	11½	—1
21⅝	7⅝	Buffets		—	17	4850	12½	11⅞	12⅜	+⅛
33⅝	7½	BurrBr		...	38	1349	u36	32¼	36	+3⅛
38¼	26⅝	BusinObj		...	...	49	32½	32	32	—½

NYSE

Friday's 4 p.m. Close

(Continued)

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
17⅛	13¼	NvNYP	1.13	7.0	...	90	16½	16½	16¼	—⅛
14⅞	11½	NvNYQI	.94a	6.6	...	204	14¼	14⅛	14¼	...
15⅝	12⅜	NNYSQ	1.01a	6.8	...	159	15	14⅞	14⅞	—⅛
12⅞	10⅝	NNCPI	.69	5.7	...	53	12¼	12⅛	12⅛	—⅛
15⅝	12	NOHQI	.93a	6.4	...	72	14⅝	14⅝	14⅝	—⅛
17	13⅞	NvPA	1.06a	6.7	...	328	15¾	15½	15¾	...
13⅝	9⅞	NvPAP2	.82a	6.8	...	233	12⅛	11⅞	12	...
15⅝	12¼	NuvPP	1.08a	7.3	...	338	14⅞	14⅞	14⅞	+⅛
15¼	11⅝	NvPIM	.94a	6.8	...	542	13⅞	13⅝	13⅞	+⅛
15	11⅝	NvPMI	1.01a	7.2	...	403	14⅛	14⅛	14⅛	—⅛
15⅝	12	NuvPI	1.06	7.3	...	294	14½	14⅜	14½	+⅛
13⅝	10⅞	NuvPI2	.92a	7.1	...	406	12⅞	12⅝	12⅞	...
12½	9⅝	NuvPI4	.82	7.1	...	199	11¾	11⅝	11⅝	...
15⅝	12	NuvQInc	1.03a	7.3	...	757	14⅝	14½	14⅝	—⅛
11½	9⅝	NvSMM	.65a	6.0	...	464	10⅞	10¾	10⅞	+⅛
15½	12	NuvSel	1.04	7.4	...	385	14¼	14⅛	14⅛	—⅛
14⅝	12⅜	NSTFI	.95a	6.7	...	54	14⅜	14¼	14¼	—⅛
14⅛	12	NSTFI2	.91	6.6	...	130	14	13⅞	13⅞	...
13⅝	11⅝	NSTFI3	.84	6.5	...	271	13⅜	13	13	—⅛
15¼	11⅝	NTXQI	.96a	6.9	...	48	13⅞	13¾	13⅞	—⅛
13⅝	10⅝	NVAPI	.78a	6.2	...	79	12½	12⅜	12½	...
43⅛	35⅝	Nynex	2.36	5.9	22	7725	40½	39⅞	40	...
		O-P-Q-R								
39	21⅝	OEA	.20e	.7	33	223	29⅞	28⅞	29⅛	—⅛
7	5	OEC Md		—	—	13	6⅛	6⅛	6⅛	...
14½	5⅞	OHM Cp		—	—	166	11⅛	11⅛	11⅛	—⅛
7	5	OMI		...	...	2569	5⅝	5⅜	5⅜	+⅛
14⅝	7¼	OSulvInd		...	...	448	8	7⅞	7⅞	—¼
30	19	OakInds		—	12	422	29⅝	29⅛	29⅝	...
29⅞	20⅝	Oakwood	.08	.3	15	185	25⅝	24⅞	24⅞	—⅛
25⅞	18⅝	OasisR sd	1.64	7.2	—	1191	22⅝	22⅝	22⅝	+⅛
26	24⅝	OasisR pf	2.25	8.8	...	69	25½	25⅜	25½	...
24⅛	18	OcciPet	1.00	4.3	72	11493	23½	23	23⅛	—⅛
59⅛	39⅞	OcciPt pf	3.00	5.1	...	1090	58½	58⅛	58½	...
14⅝	7⅜	Oceaner		-	46	55	10⅝	10½	10½	...
27	18⅛	OfficeDp s		-	34	2152	24⅝	24⅛	24½	—⅜
27⅜	21⅜	OfficMx n		...	36	860	24⅞	24⅛	24⅛	...
23⅝	17⅝	Ogden	1.25	5.9	15	859	21½	21⅛	21⅛	...
21⅝	16⅝	OhioEd	1.50	7.5	10	1505	20⅛	20	20⅛	...
53	47	OhEd pfC	4.44	8.5	—	z1180	52	51½	52	+1
86	75	OhEd pfE	7.24	8.6	—	z100	84	84	84	...
89	76⅝	OhEd pfG	7.36	8.5	—	z400	87	87	87	+⅛
24	19⅛	OhEd pfM	1.94	8.2	...	31	24	23⅝	23⅝	—⅛
20⅛	15⅝	OhDri	.32	2.0	12	44	16⅝	15⅞	15⅞	—⅛
34⅛	29⅝	OklaGE	2.66	7.9	11	199	33⅝	33½	33⅝	—⅛
13⅝	9⅛	OkloG pf	.80	7.0	...	2300	11½	11½	11½	—¼
26⅛	18⅞	OldRep	.48	1.9	10	397	25⅞	25⅝	25⅝	—⅛
26⅝	24	OldRp pf	2.19	8.4	...	125	26	25⅝	26	+⅛
60⅛	46⅝	Olin	2.40	4.4	12	818	55⅝	54⅛	54⅛	—1⅛
38⅛	28½	Olsten	.32	1.1	17	1219	30½	29⅛	30	—⅛

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Ch'ge
13⅝	9⅛	SchroAsn		...	...	224	11⅝	11½	11½	—⅛
37⅝	15⅞	Schwab s	.24	.7	22	4555	34⅝	34½	34⅝	—1
11⅛	6⅝	Schwitz		...	8	201	10⅝	10⅜	10⅜	—⅛
24½	16¼	SciAtl s	.06	.3	25	11870	21¼	19⅞	20⅛	—1⅛
19⅛	13	Scotmn	.10	.5	13	29	19⅜	19⅛	19⅛	
46⅝	22½	ScottP s	.40	.9	20	x9397	43¾	42⅞	43¼	—⅛
7⅜	3⅜	ScotLiq	.10a	2.0	10	77	5⅛	5	5	-
32⅜	26⅜	Scripps	.52f	1.7	19	10	31⅛	31⅛	31⅛	
20½	14⅜	ScudNA	5.08e	31.3	—	137	16½	16¼	16¼	—⅛
11⅝	8⅝	ScdNE				351	10	9⅝	9⅝	—⅛
15	10⅝	ScudWld	.94e	7.3	—	74	12⅞	12⅝	12⅞	+⅛
17½	11⅞	SeaContA	.77	5.3	12	174	14⅞	14⅝	14⅝	+⅛
18	12	SeaContB	.70	4.7	12	30	14⅝	13⅝	14⅝	—⅛
16⅝	14¼	SeaCt pf	1.46	9.7	-	4	15⅛	15	15	-
17⅝	15⅝	SeaC pfC	2.10	12.3	—	48	17⅛	17⅛	17⅛	
49⅞	40½	SeaC pfE	4.00	9.2	—	25	43½	43¼	43½	+⅛
36	16⅝	Seagate			10	10010	35	34⅝	35	...
32⅝	25½	Seagram	.60	2.1	13	10019	28⅝	28⅛	28⅝	—⅛
25⅝	15¼	SeagullE		—		2929	19⅛	18⅝	19	
45½	27	SealdAir			21	399	43⅝	42⅞	42⅞	—⅛
56⅛	43½	Sears	1.40	2.9	11	10830	56½	54⅝	54½	—⅝
27	24⅝	Sears pf	2.22	8.5	...	88	26⅛	25⅞	26	—⅛
18⅛	14½	SecCapTr	.94	5.9	28	99	16	15⅝	16	+⅛
20⅛	15⅝	SecCaPT	1.15	6.3	27	965	18⅛	17⅝	18⅛	—⅛
27½	20	SecCPT pf	1.75	7.7	-	135	23⅛	22⅝	22⅝	—⅛
26¼	19¼	SecurCT	.48	2.1	9	232	23⅛	22⅝	22⅝	—⅛
37	18¼	Sefel			24	1054	31⅛	29⅛	30⅛	+1⅛
14¼	10⅝	SeligQual	.94a	7.1	—	50	13¼	13⅛	13⅛	
12⅝	9⅝	SeligSel	.84a	7.1	—	84	12	11⅞	11⅞	—⅛
9¼	7⅝	SenHigh	.91	10.4	—	284	8⅝	8⅝	8⅝	—⅛
9⅝	7⅞	SenHigh2	.91	10.6	—	737	8⅝	8⅝	8⅝	—
9⅛	7⅜	SenrStrat	.93	10.8	—	59	8⅝	8⅝	8⅝	
37⅞	25⅝	Sensrmt	.22	.7	23	6457	30⅝	29⅝	30½	+⅝
32	17⅝	SequaA			...	63	29¼	28	28½	—⅛
29⅝	23⅝	SvcCp	.44	1.6	18	3456	28⅛	28⅛	28½	—⅛
7⅛	4½	SvcMer			9	1076	4⅝	4½	4⅝	+⅛
26½	21½	Svcmstr	.96	3.7	14	418	26⅛	26	26⅛	+⅛
14½	7⅛	ShnHua n	.21a	2.6	—	780	8⅛	8	8	
37⅝	22	ShangPt	1.47a	4.6	...	1795	32⅝	32	32⅛	—⅜
19⅝	12	Shaw	.30	2.0	19	1662	15	14⅝	14¾	—⅛
28⅝	16⅝	ShawIN	.88	3.2	16	4713	28	27⅝	27⅝	
6⅝	2	ShawN wt		—		48	6⅛	6⅛	6⅛	
27	24⅝	ShawN pf	2.33	8.8	-	26	26½	26⅝	26⅝	
27⅛	25	ShawN pfX	2.34	8.6	...	173	27½	27	27⅛	—⅛
11⅝	7½	Shelby	.28	2.9	88	180	9⅝	9⅝	9⅝	+⅛
73⅝	62½	ShellTr	3.25e	4.6	16	535	71⅞	71	71⅝	+⅛
38	29⅝	Sherwin	.64	1.8	16	1629	36⅛	35⅝	35⅝	—⅛
7⅛	5⅛	ShldGp		—	6	14	6	6	6	—
18⅛	9⅛	Shoney			8	2417	11⅝	11	11⅛	—⅛
11⅛	8⅝	ShopKo	.44	3.9	10	177	11⅝	11⅛	11⅝	
21⅜	11½	Showbz	.10	.6	18	401	16⅝	16½	16⅝	—⅛
24⅝	17⅝	Shurgard	1.84	8.0	...	232	23⅛	22⅞	23⅛	+⅛
33⅝	21⅛	SierrS			14	818	24½	24⅛	24½	—⅛
21⅛	17⅜	SierPac	1.12	5.4	11	152	20⅝	20½	20⅝	+⅛
8⅛	4	SgnlApl		—		1	6⅛	6⅛	6⅛	—⅛
22⅛	13⅝	SignetB s	.68	3.1	12	1583	22⅛	21⅝	22	—⅛
39	18½	SiliconGph			29	5252	38	37⅛	37⅛	—⅛
28	22½	SimonPr	1.97	8.0	26	630	24⅝	24⅛	24⅝	—⅛
17	11⅛	SiloCo	2.89e	17.8	...	107	16⅛	15⅝	16⅛	—⅛
25⅝	22	Singer	.20	.8	13	1058	25⅝	25⅛	25⅝	—⅛
10½	8⅛	SinterM n		—	14	32	10⅛	10	10	—⅛
12⅝	8⅛	Sithe			17	318	8⅛d	7⅛	7⅛	—⅛
13½	9⅝	SizelerP	1.12	11.3	21	122	10⅛	9⅛	9⅞	—⅛
7⅛	5	Sizzler	.16	2.8	34	146	5⅝	5½	5⅝	—⅛
22⅛	16⅜	Skyline	.48	2.6	13	119	18¼	18	18⅛	
17	13⅝	SmithIn	.20	1.2	19	30	16⅝	16½	16½	—⅛
31	19⅛	SmithAO	.60	2.5	9	150	23⅝	24⅛	24⅛	—⅛
11⅛	9½	SB HIO	1.15	...	—	2072	11	10⅝	11	—⅛
5⅝	1⅝	SthCor	.05i	...	...	1532	1⅝d	1⅝	1⅝	—⅛
17⅝	11	Smthln			16	2148	17	16½	16⅝	—⅛
26½	21⅛	SmithR n	1.90	...	17	18	23⅝	23½	23½	—⅛
42½	28⅛	SmthBc	1.28e	3.3	16	212	39⅝	38⅝	39	—⅛
42⅛	28	SmtBc pa	1.28e	3.4	15	3896	38⅝	37⅞	38⅛	—⅜
27⅝	18⅛	SmtFD	.40	3.0	11	547	19⅝	19⅛	19⅛	
25⅛	20⅝	SmckrA	.52	2.4	19	51	22⅛	21⅞	21⅞	—⅛
22⅛	18⅛	SmckrB	.52	2.4	17	72	20⅛	19⅞	19⅞	—⅛
39	29	SnapOn	1.08	3.1	14	613	35⅝	34½	34½	—1⅛
20½	12⅝	Snyder	.26	1.9	58	471	14	13⅝	13⅛	—⅛
26⅛	19	Snydr pfA	1.50	7.2	...	43	21	20⅝	20⅝	—⅛
41	23	SocQuim	.54e	1.4	...	140	39⅛	38⅛	39⅛	—⅛
25⅛	10⅝	Sofamor		—	13	379	22⅛	21⅝	22	...
24⅛	16⅝	Sola n		...	31	381	24⅝	23⅝	24⅛	+⅛
32⅛	22⅝	Solectron			19	1817	30⅝	29⅝	30	—⅛
38⅛	36	Sonat	1.08	3.4	21	2043	32	31⅝	32	+⅛
27⅛	17⅝	SonatOff	.24	.9	49	1984	27⅝	27	27⅛	+⅛
24⅝	18⅝	SonocoP	.60b	2.5	16	1931	24	23⅞	24	...
54⅛	45⅝	Sonoco pf	2.25	4.1	...	27	54⅝	54⅝	54⅝	...

China Tightens Futures Rules After Bond Upset

Compiled by Our Staff From Dispatches

SHANGHAI — As money flows out of banned government-bond futures, China on Friday ordered its commodity exchanges to guard against speculation by tightening trading rules.

For the second day, the Shanghai Stock Exchange was the prime beneficiary of the China Securities Regulatory Commission's ban late Wednesday on treasury-bond futures. The index of A-class shares, which are reserved for Chinese investors, rose 99.63 points, or 12.5 percent, to 895.95. That followed a 32 percent rise Thursday.

Futures markets did not fare as well, reacting nervously to the securities commission's latest circular, which said futures markets must raise margin requirements and adjust limits on daily price movements. The maximum number of contracts held by one party will be reduced and new contracts limited.

The exchanges also must establish monitoring systems for big clients, including declaration systems and daily settlement regulations. Investors who purchase more than the allowed number of contracts would be compelled to sell the extra ones.

The directive also bans transactions on overdrawn accounts, prohibits accounts under other names and forbids market manipulation and speculation.

Implementation so far has been piecemeal, officials said, with various exchanges enforcing only some of the guidelines.

An official at the Shanghai Cereals & Oil Exchange said the exchange would not be affected because strict controls were already in place, while another at the Shenzhen Metal Exchange said the new rules were mainly aimed at treasury bonds.

Of all the measures demanded by the government, increased margins appeared to be the most widely adopted. The margin requirement is the percentage of cash relative to the face value of a contract that an investor must provide to take a futures position.

The Beijing Commodities Exchange raised its margin requirement to 8 percent from 5 percent, and the Dalian Commodities Exchange to 10 percent from 5 percent. The Shenzhen Metal Exchange is also considering raising margins from the current 5 percent.

Some exchanges have also called on members to "voluntarily" reduce their positions, but there is resistance to implementing the new rules because of fears they would hurt business, officials said.

China has established 15 futures markets across the country, trading various commodity futures, including plywood, soy beans, metals, corn, rubber, palm oil and wheat contracts.

The only financial futures were the government-bond contracts traded in Shanghai, but these were halted after traders took larger positions than they were supposed to hold. It was the second time the bond futures had been halted. In February, the government stopped trading for a week after a broker apparently attempted to rig prices, triggering a massive sell-off.

The bond market has been active since November, when many investors switched out of moribund stocks. *(AFP, Knight-Ridder, Bloomberg)*

Sounds of Air-Fare War

Malaysian Carrier Fires Opening Shot

AFX News

SINGAPORE — Malaysian Airline System Bhd.'s 30 percent cut in fares to European and U.S. destinations is likely to signal a price war among Southeast Asian airlines, analysts said Friday.

The dissolution on May 1 of the 19-year-old Intra-Orient Marketing Program, a generally ineffective cartel of 20 airlines and 300 travel agents, would have had little significance were it not for the Malaysian airline's fare cut, analysts said.

"This could be the opening bullet," said Wang Wah Lee, an analyst with Development Bank of Singapore Investment Research.

Malaysian Airline has been aggressively moving to increase market share since a recent management shake-up, analysts said.

In March, its passenger traffic grew by 15 percent, compared with a 1 percent rise at Singapore Airlines Ltd. and a 4 percent rise at Thai Airways International Ltd.

If the company's price cuts are a success, "then the others will go for a price war," said David Lam, a senior analyst with JM Sassoon. "Although this is good for travelers, it is bad for the industry because they are pursuing fare cuts just to maintain market share and not expand this share," he said.

Mr. Wang of the Development Bank said regional airlines may go for another round of fare cuts on tickets sold in Singapore because of the rise of the Singapore dollar against the U.S. dollar.

The last fare cuts by these airlines was in October 1994.

The Singapore dollar has climbed by about 5 percent against the dollar so far this year, after a 10 percent appreciation in 1994.

Analysts said regional air traffic flow had not grown encouragingly this year and that increasing capacity had added to the industry's worries.

The Orient Airline Association — an organization of 15 Asian carriers — increased capacity by almost 11 percent in February, while traffic that month grew just 5 percent. That was the fifth consecutive month when capacity exceeded traffic, according to Morgan Grenfell Research in Singapore.

At Singapore Airlines, the overall load factor for the first three months of this year dropped to about 68 percent, compared with an average of 70.5 percent for the previous nine months. Load factor is the percentage of seats filled with paying passengers.

Analysts said the carrier's declining load factor might be a problem in the longer term, but they predicted the company would announce higher earnings for the year ended in March when it discloses its results Sunday.

Dow Dampens Asia Markets

Reuters

HONG KONG — The biggest fall in the Dow Jones industrial average in six months Thursday dragged down most Asian stock markets Friday, although some recovered late in the day to end with only moderate losses.

Key indexes in Hong Kong, Manila, Kuala Lumpur, Seoul, Bangkok, Sydney and Wellington finished sharply lower. Many brokers pointed to the fall on Wall Street, but others attributed the losses to corrections after big gains last week.

The Dow fell 81.96 points, to 4,340.64, in its biggest one-day drop since Nov. 22, 1994.

"Wall Street exacerbated a correction that we started to see in the last days," said John Quinn, chief investment officer at NatWest Investment Management Asia in Hong Kong.

But he said Asian markets were supported by bullish earnings, gross domestic product growth and the prospect of steady U.S. interest rates.

The Nikkei 225 average lost 171.71 points, or 1.05 percent, to 16,140.85.

In Hong Kong, the blue-chip Hang Seng index, which had gained more than 1,000 points in two weeks, fell 102.40 points, or 1.12 percent, to 9,013.32.

Singapore's 30-share Straits Times Industrials index recovered from an early decline to end down 4.54 points, or 0.21 percent, at 2,158.93.

"I would expect New York to continue correcting, maybe not as sharply," one dealer said.

Recovery Lifts Japan Optical Companies

Bloomberg Business News

TOKYO — Ricoh Co., Nikon Corp. and Asahi Optical Co. said Friday improving economies worldwide had tempted customers to spend more on new equipment, helping profits and sales rise in the year ended March 31.

Ricoh said current profit, which is pretax, rose 48 percent, to 21.63 billion yen ($248 million). Sales rose 3 percent, to 616.58 billion yen. Ricoh's net profit rose 85 percent, to 13.25 billion yen.

Nikon said current profit rose 440 percent, to 5.88 billion yen, while sales rose 14 percent, to 229.19 billion yen. Net profit at Nikon rose 465 percent, to 2.97 billion yen.

Current profit at Asahi Optical rose 20 percent, to 1.96 billion yen, but the company had a 3 percent drop in sales, to 69.52 billion yen. Net profit rose 57 percent, to 543 million yen.

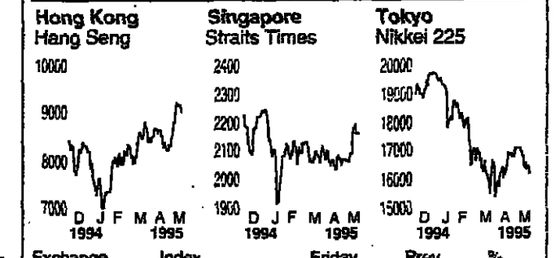
The three, originally among Japan's top camera makers, have diversified into areas of business such as copying machines, semiconductor production equipment and medical technology.

Nikon said revenue increased because of strong sales of steppers — machines that imprint layers of electric circuitry onto silicon to make chips. The company controls about half of the approximately $2 billion world market for such machines.

All three companies sounded warnings for earnings in the current financial year, which ends in March 1996, because of the strong yen.

Ricoh stock closed up 10 yen at 755, Nikon fell 13, to 721, and Asahi fell 4, to 358.

Investor's Asia



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	9,013.32	9,115.72	-1.12
Singapore	Straits Times	2,158.93	2,163.47	-0.21
Sydney	All Ordinaries	1,996.50	2,020.50	-1.19
Tokyo	Nikkei 225	16,140.85	16,312.56	-1.05
Kuala Lumpur	Composite	1,011.62	1,019.28	-0.75
Bangkok	SET	1,323.74	1,344.50	-1.54
Seoul	Composite Index	878.01	880.40	-0.50
Taipei	Stock Market Index	5,757.65	5,758.53	-0.02
Manila	PSE	2,725.96	2,745.43	-0.71
Jakarta	Composite Index	458.71	457.84	+0.19
Wellington	NZSE-40	2,131.39	2,155.79	-1.13
Bombay	Sensitive Index	3,327.68	3,276.52	+1.56

Source: Telekurs — International Herald Tribune

Very briefly:

• **Hyundai Motor Co.**'s factory in Ulsan was stormed by riot police, who arrested about 280 union workers who had organized an unauthorized strike at the company's largest plant.

• **Japan**'s upper house gave final approval to a supplementary state budget totaling 2.73 trillion yen ($31.3 billion) for the current financial year to pay for reconstruction after the Kobe earthquake and help companies battling the strong yen.

• **Kanagawa Labor Credit Union** is to get 2.8 billion yen in public funds to take over the failed **Yuai Credit Union** in a bailout organized by Japan's Deposit Insurance System.

• **Mitsubishi Chemical Corp.**'s profit for its latest year rose 142 percent, to 5.4 billion yen, as sales, helped by a merger with Mitsubishi Petrochemical, rose 6 percent, to 888 billion yen.

• **Nippon Yusen KK, Mitsui OSK Lines Ltd.** and **Kawasaki Kisen Kaisha Ltd.** announced improved earnings for the year to March, despite declining sales and the negative effects of the rising yen.

• **Minebea Co.**, the world's largest maker of miniature bearings, said strong demand for electronic goods helped its yearly profit rise 82 percent, to 7.49 billion yen.

• **Jilin Chemical Industrial Corp.** of China will list shares Tuesday on the Hong Kong stock exchange; 89.3 million H shares will be sold for a maximum of 1.68 Hong Kong dollars (22 U.S. cents) each.

• **Great Wall Industry Corp.** of China is to launch a third satellite for **Echostar Communications Corp.** of the United States and a back-up satellite for **APT Satellite Co.** of Beijing.

• **Seven Network Ltd.** said a special shareholders' meeting called by the media entrepreneur Kerry Stokes will take place July 10. Mr. Stokes, who holds about 19 percent of the TV broadcaster, wants two seats on the board; he has been offered one.

• **Daewoo Corp.** of South Korea signed a deal to acquire a 51 percent stake in **F.S. Leublin**, a Polish commercial vehicle maker, for $23 million. *AFP, Bloomberg, Reuters*

China Closes Phone Window

Agence France-Presse

BEIJING — China on Friday banned private companies and individuals from engaging in "any form" of international telecommunication operations in the country.

The Post and Telecommunications Ministry singled out foreign companies that have placed advertisements in Chinese newspapers promoting "call-back" services, which give callers access to U.S. telephone lines and rates when ringing out of China.

Bimantara Group to Sell a 20% Stake

Agence France-Presse

JAKARTA — PT Bimantara Group, a holding company controlled by one of President Suharto's sons, will sell shares to the public in July, the group's board announced Friday.

The group hopes to raise just under 300 billion rupiah ($135 million) by offering 200 million new shares, or around 20 percent of the company, said Peter Gontha, an executive of the group.

Bimantara Group has 26 subsidiaries in broadcasting, telecommunications, construction, transportation, automotive manufacturing, chemicals, real estate and investments. In 1994 the group had consolidated assets of 1.2 trillion rupiah and net profit of 54.9 billion rupiah.

Mr. Gontha said subsidiaries would go public later. The largest subsidiary is the private television station PT Rajawali Citra Televisi Indonesia. Another subsidiary, Bima Graha, is a partner in the Indonesian satellite consortium PT Satelindo.

Ownership of the group currently is divided among five shareholders. Bambang Trihatmojo, Mr. Suharto's second son, owns 55 percent, and Indra Rukmana, Mr. Suharto's son-in-law, owns 20 percent.

Mr. Suharto's children have been accused of using political influence to build a business empire in the last decade.

Didik Rachbini, an economist with the National Planning Body of Indonesia, said investors hoped the public offering would open up the Indonesian market to domestic and foreign investors.

■ **Aircraft Maker Picks Alabama Site**

Indonesia's state-owned aircraft maker has picked Mobile, Alabama, as the location of a $100 million venture to assemble its new N-250 turbo-prop commuter plane, Reuters reported.

Research and Technology Minister Jusuf Habibie said Industri Pesawat Terbang Nusantara, or IPTN, would sign an agreement with the Alabama state government in Paris in June.

IPTN had listed two U.S. cities, Mobile and Macon, Georgia, as possible sites for the venture.

"We believe Mobile city is the best choice based on its incentives for us," said Mr. Habibie, who also heads IPTN.

He said the Indonesian aircraft maker would eventually hold 40 percent of the U.S. venture, to be called American Regional Aircraft Industry, or AMRAI.

Citibank Theft Nets 7 Arrests

Reuters

SINGAPORE — Seven people have been arrested in connection with the theft of share certificates valued at about 80 million Singapore dollars ($57 million) from a Citibank branch, police said Friday.

A police spokesman said one suspect pleaded guilty in court Friday but had not been sentenced.

Citibank has assured customers that they would not suffer financial losses from the theft.

A Citibank spokesman declined to comment.

Herald INTERNATIONAL Tribune

SATURDAY-SUNDAY, MAY 20-21, 1995
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THE MONEY REPORT

FIRST COLUMN

Intelligence From All Over

Everyone knows it's a bluff, but the threat of a trade war between the United States and Japan has made the investment community sit up and take notice. As ever, the interesting questions far outnumber the sensible answers.

For example, is the dollar finally reaching the bottom of its long, painful drop against the Japanese yen? What will happen to mainstream share markets in Europe if the greenback strengthens? Will there be another flight of U.S. investment capital from the emerging markets of Latin America to parallel the Mexican catastrophe at the turn of the year? And, if so, will this again be echoed in the emerging markets of Asia, which some commentators say are vulnerable as never before to a sudden withdrawal of international funds?

It would be more than ambitious to suggest that all the right answers were forthcoming at the investment conference organized in Zurich this week by the International Herald Tribune and its quarterly fund management magazine, International Fund Investment.

In fact, such a suggestion would probably be dangerous. The only genuine point of consensus to emerge among the financial luminaries assembled at a similar conference 12 months ago was that the dollar was definitely undervalued, and that a big dollar play would be everyone's free lunch for 1994.

So much for the majority view and conventional wisdom.

Nevertheless, this week's conference, entitled "Which Way Are the Markets Moving?," attracted speakers with interesting and often conflicting views. Much of the information and many of the direct quotations in this week's section were gathered at the conference. The intention is to bring our readers, through some of the best contemporary analytical thought, a snapshot of the world's markets at a particularly critical time.

M.B.

Stronger Currencies May Weaken the Case for Bonds

By Baie Netzer

HAD Chicken Little warned of a particular currency falling rather than the sky, he might well have caused more panic and he would certainly have found a more receptive audience. Financial assets, after all, can appear much more complicated than the heavens, and in the event of a collapse, your situation depends on what you own and how you're hedged.

Take, for instance, two identical pools of bonds, structured to mirror an international bond index, that were purchased separately five years ago by a Japanese and an American investor in their own currency. With an initial investment of $100 million, the U.S. investor would now have a portfolio worth $215 million, according to Andrew Skirton, managing director of BZW Investment Management Ltd. in London.

In contrast, an initial investment of 100 million yen would be worth only 82 million yen today, an 18 percent decline.

"That just shows the extent of how the appreciation of the yen has undermined bond markets," says Mr. Skirton. "There's a reason Japanese investors are conservative and have parked their money in domestic bonds."

The Japanese may soon be joined by other fixed-income investors who have found the recent currency crisis and its impact on world bond markets confusing and unprofitable. After spectacular returns in 1993, world bond markets slipped 3.8 percent last year, according to a Salomon Brothers index.

But while the correlation between many bond markets became evident last year, "the risks still don't outweigh the benefits of diversification," argues Mr. Skirton.

One thing is certain: Individual investors must weigh currency considerations heavily before investing in international fixed-income instruments. Though a "strong" currency sounds to most ears like a good thing, the 40 percent real appreciation of the yen since the beginning of the year "has to damage the country's stability and structures," according to Norbert Walter, chief economist at Deutsche Bank Group in Frankfurt.

Japanese companies are currently too highly leveraged, their profits are sinking and price/earnings ratios on stocks are about twice the level they should be, Mr. Walter says. Because he believes that the political stability to shore up these risks is lacking, Mr. Walter argues that a considerable "counterparty risk" also exists for governments and international corporations doing business with Japan. That, in turn, affects international bond markets.

"The implication for the world at large is that people go short, they pile up on liquidity," he says. To avoid a continued repatriation of Japanese capital, which would further drive up the value of the yen, he suggests the United States sell yen-denominated Treasury securities to attract private and institutional Japanese investors.

Though the Deutsche mark is another recent climber in world currency markets, Howard Flight, joint managing director of Guinness Flight Global Asset Management Ltd. in London, has a less favorable long-term view.

He says a number of domestic problems are likely to undermine the Deutsche mark: a manufacturing-biased economy that is weak in the service sector, high labor costs which make Eastern Germany unattractive for direct investment compared with its Eastern European neighbors, a probable increase in unemployment, a costly social service system and wage pressures.

"With the shortest working hours and the longest holidays, the German work ethic appears to me to be ebbing," Mr. Flight says. Given the recent strength of the Deutsche mark, however, Mr. Flight notes that short-term capital flows can buck longer-term trends in interest rates and currencies, even if the longer-term trends reflect the fundamental state of the underlying economy.

As illustration, Mr. Flight points to the beaten and berated U.S. dollar, which before its recent rebound had fallen 15 percent against the Deutsche mark in the past two months.

"The outlook is quite good and the stage is set for a prolonged period of dollar strength," Mr. Flight says.

But a more bearish view is expressed by John Hamrock, a vice president at fund company Federated International Management Ltd. in Paris. He argues that the long-term depreciation of the dollar against the Deutsche mark has signaled an enormous transfer of wealth from U.S. children to Europe's children.

"U.S. consumption is high, savings are low, and there is a lot more focus on tax cuts and shifting the burden of services than on deficit reduction," Mr. Hamrock says. "It is not yet clear to us that our politicians are truly ready to bite the bullet."

While Mr. Flight and Mr. Hamrock are divided on the U.S. dollar, Mr. Skirton of BZW says he expects the Canadian dollar to be the world's strongest currency over the next six months. With the Canadian budget deficit on the decline, the outlook in the Canadian bond market is strong and the "currency is as cheap as chips," he says.

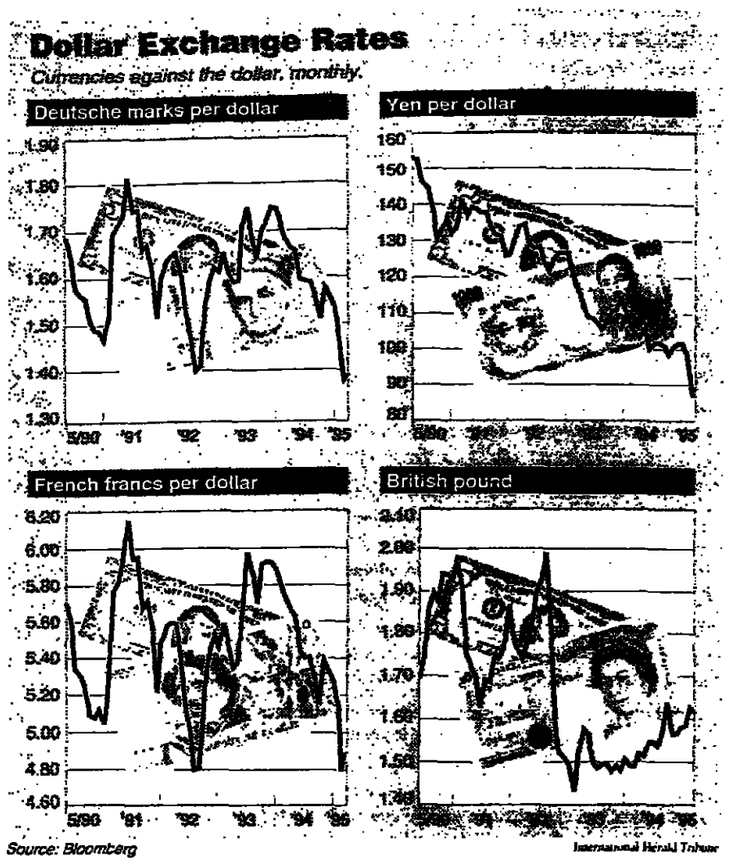
In the European fixed-income markets, Mr. Skirton points toward the French and Danish bond markets. While he is not expecting any "fireworks" in Europe, it is possible for some European bond markets to offer yields 3 or 4 percentage points above German bonds, he says.

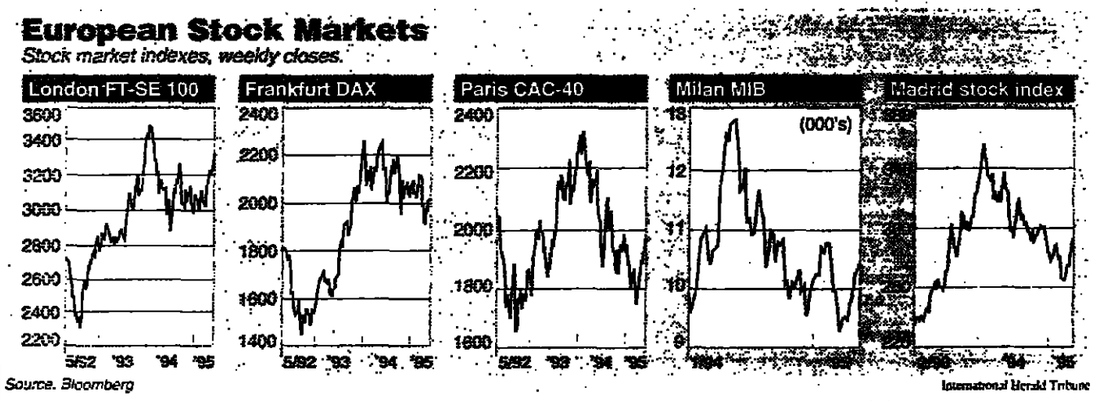
In the U.S. market, Frederick Horton, managing director of Trust Company of the West in Los Angeles, touts the $1.7 trillion mortgage-backed securities market, which currently accounts for 30 percent of the $4 trillion U.S. fixed-income arena.

He points conservative investors toward shorter-term adjustable-rate instruments. He recommends investors with a longer-term horizon investigate deeply discounted collateralized mortgage obligations likely to be called at par in the next 6 to 12 months. They currently sell for 30 to 60 cents on the dollar.

But Mr. Hamrock of Federated Investors warns of a reversal in the coming weeks or months of the U.S. bond rally that started in November.

Market Snapshot





Jury Is Divided on Best Bets in Europe

By Martin Baker

INTERNATIONAL investors who do their reckoning in dollars may not have noticed it, but this year has been at best indifferent for European share markets.

Although Europe has produced some erratic share performances, the weakness of the U.S. dollar, especially against the French franc and the Deutsche mark, has boosted greenback investors' returns. Investors in the French market have done well: In addition to a strong currency, the Paris Bourse rose to its high for the year last week as it greeted the arrival of a conservative president, Jacques Chirac.

But opinion is sharply divided as to whether that kind of performance can be sustained and where the best investment opportunities lie in Western Europe and the emerging, formerly Communist economies of the continent.

Alan Albert, senior managing director at Merrill Lynch Global Asset Management in London, argues that a key factor in determining the level of European markets in recent years has been the gigantic sums of money invested by U.S. mutual funds.

Mr. Albert believes that the trend among big U.S. mutual and pension funds to invest outside the United States will continue, and that this will have a radical effect on European market levels.

"Global capital flows mean volatility and action compressed into short periods," he says. "These global flows will double or treble in the next five to 10 years."

Others, however, take the view that more orthodox economic phenomena are driving the markets. Talal Shakerchi, European portfolio manager for Old Mutual Portfolio Mangers Ltd., believes that European markets will react to well-recognized stimuli such as favorable interest-rate movements.

"I expect German rates to come down this year," he says. "The Bundesbank's priorities are to protect the value of the Deutsche mark on the foreign exchanges and keep inflation low. Low German money supply growth and weak consumer demand are very much in favor of lower rates."

Mr. Shakerchi also identified investor sentiment toward quality stocks, harmonization of financial reporting standards, and the tendency of aggressively managed European companies to cut back their labor forces as important driving forces for European shares.

Rory Landman, a director of Baring Asset Management's emerging Europe investment team, identifies some exciting possibilities in the lesser developed markets of Europe but notes a significant practical drawback.

"Liquidity is very low in many emerging European markets, and it's difficult to invest more than small amounts without moving markets significantly," he says.

Nevertheless, he regards the risk-reward ratio as compellingly attractive. Moreover, Mr. Landman views this month's announcement by General Motors Corp. of its intention to do business in Poland as the most significant economic development in emerging Europe for years.

Colin Kingsnorth, chief executive officer of Regent Kingpin Capital Management, a company specializing in investing in Russia, also recognizes the difficulties of investing in immature markets.

"People have already made and lost fortunes in Russia, and the market's only been going for 18 months," he says, citing fraud, the inaccuracy of government economic statistics and high inflation as just some of the hazards.

But Mr. Kingsnorth argues that with more than 90,000 privatized companies and an estimated market capitalization of some $20 billion, Russia is an investment opportunity not to be missed.

THE FUND PERFORMANCE FOCUS

Herald International Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST
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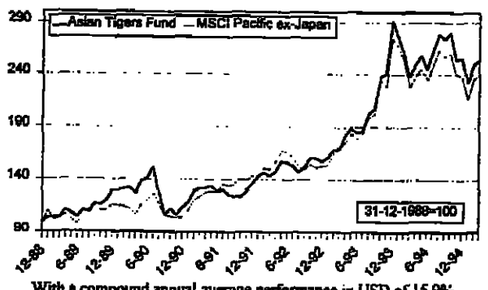
The Fund Performance Focus has been created in order to give our readers investment information on internationally marketed mutual funds with consistently strong performance figures.

If you are interested in knowing more about any of the mutual fund groups advertising in this section, simply circle the appropriate number on the coupon (at the bottom of the page) and return it to us by letter or fax and information will be mailed to you by the companies involved.

The I.H.T. would like to remind its readers that past performance is no guarantee of future results and that the value of an investment and the income from it can go down as well as up.

ABN·AMRO ASIAN TIGERS FUND



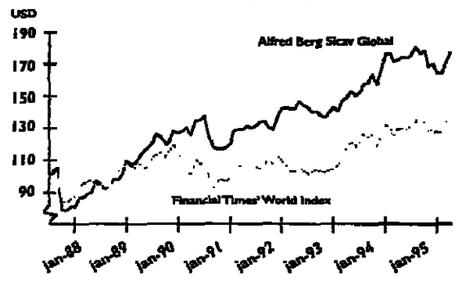
With a compound annual average performance in USD of 15.9% since inception (November 1988), the USD 819.8 million Asian Tigers Fund N.V. is a perfect example of how the dedicated international capabilities of ABN AMRO Asset Management can lead to good performance.

With more than USD 40 billion under management and over 100 investment professionals in offices in Amsterdam, Hong Kong and Chicago, ABN AMRO Asset Management offers clients around the world a sound entrance to different markets in different regions all over the globe. This expertise is applied to both our segregated asset management services and to ABN AMRO Funds, a *family* of investment funds registered in Luxembourg. International investors looking for reliable access to Asia can participate in the ABN AMRO Asian Tigers Equity Fund, a member of the *family*, advised in Hong Kong by ABN AMRO Asset Management (Far East) Ltd, which is managed on the basis of the same principles and with the same dedication as the aforementioned Dutch-based Asian Tigers Fund N.V. The ABN AMRO Asian Tigers Equity Fund is denominated in USD. Its price is published daily in the International Herald Tribune, Financial Times, and the European editions of the Wall Street Journal.

For further information on ABN AMRO Asset Management contact: Mr. Johan Cras, ABN AMRO Asset Management, Foppingadreef 22, PAC 3270, P.O.Box 283, 1000 EA Amsterdam, Tel: 31-20-629 32 56, Fax: 31-20-629 47 36. 1

RESEARCH FOR PERFORMANCE

INVEST IN GLOBAL EQUITY MARKETS



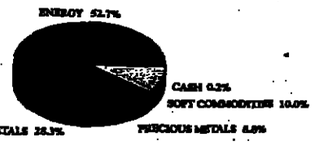
The equity fund, Alfred Berg Sicav Global, showed an increase in net asset value of 77 %, compared to the increase in FT World Index of 38 % (in USD), from the fund's launching date August 7th, 1987 to April 30th, 1995.

Alfred Berg
ALFRED BERG ASSET MANAGEMENT

P.O. BOX 70447, S-107 25 STOCKHOLM, TEL: +46-8-723 58 00, FAX: +46-8-611 33 16 2

Baring Global Resources Fund

Asset Allocation as at 28.4.95



Volume demand for natural resources from countries outside the OECD is growing:

- Industrialisation brings increased wealth to economies and drives the demand for resource intensive consumer goods.
- Impoverished infrastructure requires commodities to provide raw materials.

Baring Global Resources Fund (launched December 1994) invests in companies that extract, produce, process or trade in natural resources worldwide and is well positioned to capitalise on the sound long-term demand prospects for commodities.

- Volumes are growing
- Costs are under control
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The Global Resources Team is building positions in companies with volume growth and falling costs whenever they find them which should be of benefit to Baring Global Resources Fund.

For further information, and details on how to obtain a prospectus, contact your independent financial adviser or Baings on (44) 171 214 1226.

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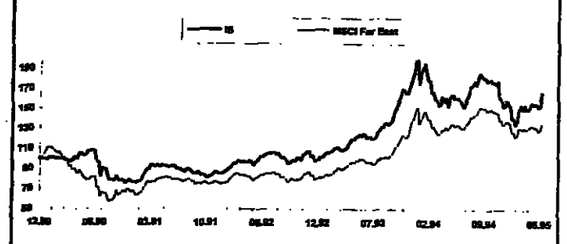
BARINGS 3

BNP Inter Strategy South East Asia



Inter Strategy is an equity umbrella fund, created by BNP in December 1989. It is made up of 10 sub funds, each one invested on a specific country or geographical zone. Countries represented in Inter Strategy's various sub funds cover almost 95% of total world-wide market capitalisation.

This South East Asia fund can invest on all stock exchanges in this zone i.e.; on markets "close to maturity" such as Hong Kong or Singapore, as well as on more "junior" markets (Korea, India, China, etc.).

The investment objective is to maintain a large diversification within the portfolio so as not to limit the exposure to only a few markets, thereby reducing the volatility of the performance as much as possible.

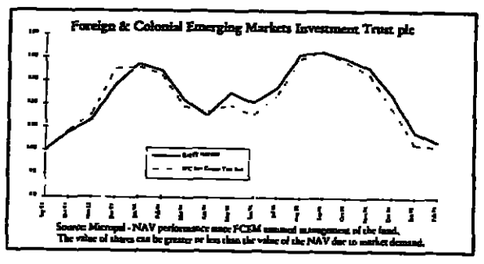
Renewed interest for South East Asia equity markets.

As can be seen by their performance in 1993 and 1994, the Asian markets are volatile on the one hand and dependent on US interest rate trends on the other. Having suffered from the repercussions of the Mexican crisis at the beginning of the year, which led to a lack of investor confidence on all the emerging markets, most markets in this zone rebounded thanks to the improvement in the US bond market and now post a positive performance compared with 31/12/94.

With growth still considerably stronger than other world-wide economies (GDP: around +7% expected on average in the zone for 1995) this trend should continue provided no inflationary pressures arise in the US, supported by attractive valuations (weighted PE levels back to 1990 levels).

Since its creation the fund has outperformed the "Morgan Stanley Far East ex-Japan" index by more than 18%. 4

Foreign & Colonial EMERGING MARKETS LIMITED



Foreign & Colonial Emerging Markets Ltd. - FCEM - is one of the world's leading emerging markets investment management groups, dedicated to managing money exclusively in emerging markets. FCEM has a team of 23 investment professionals, who manage around US$ 3bn through a range of 23 public funds and numerous segregated accounts.

The Foreign & Colonial Emerging Markets Investment Trust plc objective is to secure for shareholders long-term growth in assets per share through a diversified emerging markets portfolio. FCEM currently follows a rapidly increasing universe of 41 economies, with a combined market capitalistion of over US$ 2 trillion.

The general economic fundamentals in emerging markets remain very good, with strong economic growth for 1995 forecast in most economies, such as Brazil and India 5%, Chile 6%, Thailand 8.5%, and inflation broadly under control. Many markets are currently trading on low prospective PE ratios given their prospective corporate earnings growth, and now offer an excellent buying opportunity.

for further information contact the Marketing Department at:
Foreign & Colonial Emerging Markets Ltd.
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tel: +44 171 628 1234, fax: +44 171 628 2283
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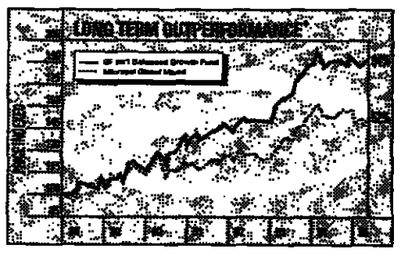
BALANCED FUNDS

GUINNESS FLIGHT



- A lower risk managed portfolio of cash, bonds and equities which aims to provide income and capital growth. This approach allows maximum flexibility in all market conditions.
- Number two in its sector over 5 years.**
- Two options are available: the 'roll-up' International Balanced Growth Fund and the new 'distributing' Global Balanced Growth Fund.

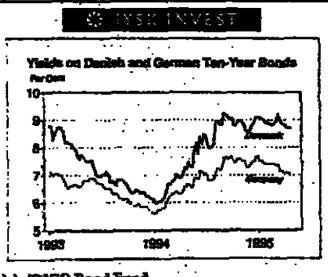
For further information contact our Investor Services Department in Guernsey on

(44) 1481 712176

*Source: Micropal, offer to offer, gross income reinvested at USD, 1.7.88 to 1.5.95. Five year performance: 87.8%. **Source: position 2/88. Past performance is not necessarily a guide to the future. The value of these investments and the income arising from them may fall as well as rise and is not guaranteed. Issued by Guernsey Flight Global Asset Management Limited, a member of IMRO and Lautro. 2571-95 6

DANISH BONDS - a sound investment object

JYSK INVEST



J.B. Danish (DKK) Bond Fund

Danish bonds stand out at present as extremely attractive: given the high yields and a robust Danish economy there are good prospects of capital gains.

Economic growth in Denmark slowed down significantly towards the end of 1994, which in conjunction with a strong Danish currency and modest wage rises, points to a very modest acceleration in the Danish inflation rate. The Danish current-account surplus and the reduction of the public sector borrowing requirement do not justify the high real interest rate of 6.2% and the 1.65% gap between German and Danish bond yields.

The J.B. Danish (DKK) Bond Fund invests exclusively in Danish bonds and is one of ten different equity and bond funds offered by Jysk Invest.

Jysk Invest

- is a mutual fund group which is fully owned by its investors;
- was established in 1968 at the initiative of Jyske Bank, with whom Jysk Invest co-operates closely;
- offers a wide range of investment possibilities designed to meet our investors' different requirements about object, risk and time horizon.

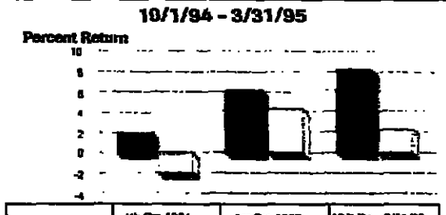
If you wish to know more about the J.B. Danish (DKK) Bond Fund and other investment solutions offered by Jysk Invest, you are welcome to complete the coupon or write or phone direct to Jyske Bank, Private Banking (International) in Denmark, Copenhagen. Tel.:+45 33 78 78 01, fax: +45 33 78 78 11.

Jysk Invest is supervised by the Danish Financial Supervisory Authority. This is to ensure that the assets are managed in accordance with the funds' Articles of Association and the relevant Danish statutory provisions, which have been adapted to the EU Directive concerning undertakings for collective investment in transferable securities. 7

DP America Growth Fund

a U.S. Small Caps Fund

10/1/94 - 3/31/95



	4th Qtr. 1994	1st Qtr. 1995	10/1/94 - 3/31/95
DP America	1.9	8.1	8.1
Russell 2000	-1.9	4.9	2.3

The above returns, with dividends reinvested, are net of fees and commission.

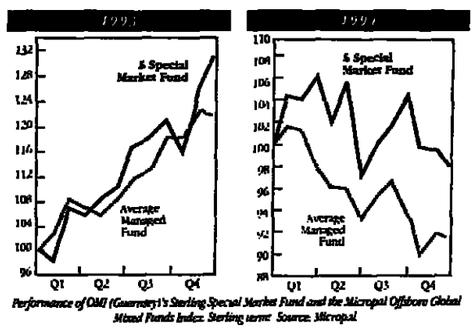
DP America Growth Fund, a MeesPierson Capital Management investment fund, was established in 1985. The Fund invests in small U.S. companies with distinctly above-average growth potential in the long term. The companies are selected on the basis of fundamentals such as above-average earnings per share, high return on equity and a low price earnings ratios.

Our local Fund managers have embraced the low P/E strategy, due to its strong returns in recent years, particularly for small U.S companies. Since the beginning of the fourth quarter of 1994, the starting point of the adopted low P/E style, the Fund has significantly outperformed the market. Although past performance is no guarantee of future performance, DP America Growth Fund is expected to continue this outperformance in the long term.

For further information please contact:
MeesPierson Capital Management in Amsterdam,
tel +31 20 527 4871 8

The Performance Edge

OLD MUTUAL INTERNATIONAL
Old Mutual International (Guernsey)



Performance of OMI (Guernsey)'s Sterling Special Market Fund and the Micropal Offshore Global Mixed Funds Index. Sterling terms. Source: Micropal.

In 1993, investment profits were easy to come by. As investors streamed out of cash, almost every market posted impressive gains.

Last year, conditions were very different – and many fund managers saw their 1993 outperformance severely eroded.

In such conditions, the flexibility of the Special Market Fund and the skills of Old Mutual Portfolio Managers gave us a valuable edge. With the ability to move freely between assets – equities, bonds, cash – and markets, 1994 saw the Fund make a well-timed retreat to a more defensive position. We couldn't make a silk purse out of a sow's ear, but our ability to make the best of prevailing investment conditions was clearly demonstrated.

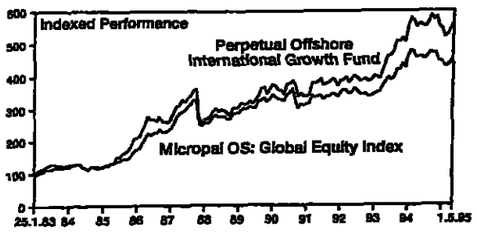
If you think a Fund with this ability (and an appropriately impressive long-term track record) could be of interest, please contact our Helpdesk on (+44) 1481 700450.

Old Mutual International (Guernsey) Limited is a unit-linked life assurance company specialising in the provision of investment products tailored exclusively for the international investor – access to the Sterling Special Market Fund is available via these products 9

Perpetual OFFSHORE INTERNATIONAL GROWTH FUND

Launch Date	Value of Fund US$m	% Change Since Launch	% Change 5 Years	Fund Research Rating†
25.1.83	78.1	+463.8	+62.9	AAA

PERFORMANCE SUMMARY



GENERAL INFORMATION ON PERPETUAL UNIT TRUST MANAGEMENT (JERSEY) LIMITED

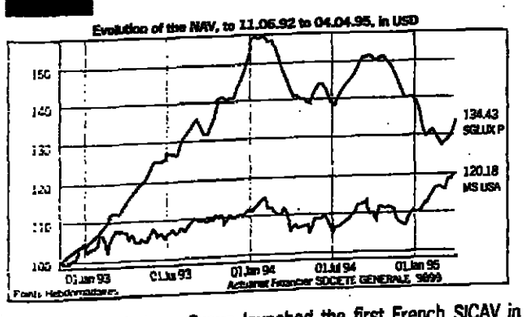
- Offers 10 offshore Funds investing worldwide (Minimum investment: US$2,000)
- Since launch 8 Funds have achieved top quartile performance
- Over the last five years, 5 out of 6 Funds have achieved top quartile performance
- Offshore Portfolio Management Service, based on Fund range, also available (Minimum investment: US$150,000)

All statistics are to 1st May 1995, on an offer-to-offer, US Dollar basis including reinvested income, net of withholding taxes (source: Micropal).
† Fund Research Ltd is a leading independent qualitative research company.

For further information please 'phone Marion Buchanan on +44 (0)1534 68448, or send her a fax on +44 (0)1534 38918. 10

SOGELUX FUND P

Growth countries and sectors



The Société Générale Group launched the first French SICAV in 1964 and manages today more than USD 60 billion in over thirty financial market places worldwide, on behalf of private investors and institutions.

Since 1987, the Société Générale Group has been offering a Luxembourg mutual fund, SOGELUX FUND, today composed of 18 compartments with a total NAV OF USD 570 million.

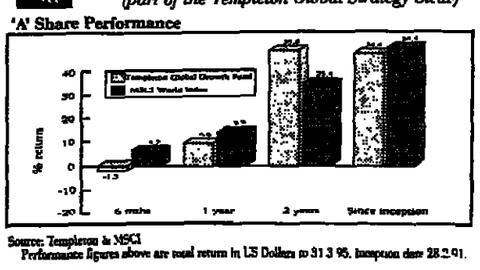
SOGELUX FUND includes:
- 9 bond compartments specialized in countries or geographic areas (USA, Japan, Europe, Germany, France, UK, Belgium, Spain and Italy) and denominated in the matching currencies,
- 1 diversified world bon compartment denominated in USD.
- 5 equity compartments specialized in North America, Europe, Pacific RIM, Growth countries and sectors, mining and gold instruments,
- 1 diversified world equity compartment denominated in USD,
- 2 short term compartments denominated in French Franc and in ECU.

Sogelux P is equity orientated fund invested principally in emerging markets and in small and medium sized growth stocks in mature markets. 11

Templeton Global Growth Fund

(part of the Templeton Global Strategy Sicav)

'A' Share Performance



Source: Templeton & MSCI
Performance figures above are total return in US Dollars to 31.3.95. Inception date 28.2.91.

OBJECTIVE

Seeks long-term capital growth by investing in equity related issues of companies and governments of any nation. The base currency is US dollars.

COMMENTS

The fund has seen a healthy inflow of cash over recent months and has been cautiously investing this new money. As reported in previous months, the fund has now stopped adding to its holdings in the more cyclical sectors such as paper, chemical and metal stock areas following good performance from many of these stocks. A number of small reductions have been made in this area in response to changing company valuations but these stocks still represent a good proportion of the fund. Value continues to be available in the pharmaceuticals and food retailing sectors. The general characteristic of companies in these sectors is that they are strongly cash generative. It is expected that representation in this area will continue to increase. In general, investor sentiment remains fairly downbeat: this is a better environment for investing since it is only when most investors are pessimistic that you can find outstanding bargains.

This bulletin, issued by Templeton Investment Management Limited, Regulated by IMRO and The Personal Investment Authority and a member of the Templeton Marketing Group, Saltire Court, 20 Castle Terrace, Edinburgh EH1 2ER. Tel +44 131 469 4000, Fax +44 131 229 4506. Past performance is not necessarily a guide to the future. The value of this investment and the income arising from it may fall as well as rise and is not guaranteed. 12

Mail this coupon or send fax to:

Patrick Falconer/Fund Performance Focus
International Herald Tribune, 63 Long Acre, London WC2E 9 JH
United Kingdom. Fax: (+44-171) 240 3417.

Please send me information on the funds circled at no cost or obligation.

1 2 3 4 5 6 7
8 9 10 11 12

Name _____
Title (i.e. Mr, Mrs or Ms) _____
Initials _____
Nationality _____
Company _____
Position _____
Address _____
City _____ Code _____
Fax or Tel _____

IHT 2005

ADVERTISEMENT

INTERNATIONAL FUNDS

May 19, 1995

Quotations supplied by funds listed, and transmitted by MICROPAL PARIS (Tel. 33-1 40 28 09 09).
Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue prices.
The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (f) fortnightly (every two weeks); (r) - regularly; (t) - twice weekly; (m) - monthly.

ABC INVESTMENT & SERVICES CO (E.C.)
Manama-Bahrain,P.O 2808,Fx 533062 Tl 532225
m ABC Futures Fund Ltd ... 130.40
m ABC Islamic Fund (E.C.) ... 122.06
m ABC Global Recovery Fd ... 102.43
m ABC Global Bond Fd ... 104.84
ABN AMRO BANK, P.O. Box 283, Amsterdam
w Columbia Securities ... FI 144.53
w Trans Europe Fund FI ... FI 96.34
w Trans Europe Fund $ ... $ 56.25
w Alvento ... FI 241.80
ABN AMRO Funds
4 rue Jean Monnet, Lux. 352-424949,220
d Latin America Bd Fd ... $ 42.44
d North America Eq Fd ... $ 59.26
d Asian Tigers Eq Fd ... $ 32.62
d Europe Equity Fd ... $ 54.85
d Japan Equity Fd ... $ 48.78
d Germany Equity Fd ... DM 96.44
d Global Bond Fd ... $ 53.23
d Europe Bond Fd ... $ 52.86
d US Bond Fund ... $ 54.18
d Germany Bond Fd B ... DM 104.55
d Spain Bond Fund ... Ptas 7743.00
AEB WORLDFOLIO MUTUAL FUNDS
d $ Daily Income ... $ 1.00
d DM Daily Income ... DM 1.00
d $ Bond Income ... $ 18.61
d Non - $ Bonds ... $ 30.40
d Global Bonds ... $ 23.00
d Global Balanced ... $ 20.14
d Global Equities ... $ 20.45
d US Conservative Equities ... $ 16.44
d US Agressive Equities ... $ 15.89
d European Equities ... $ 11.96
d Pacific Equities ... $ 13.07
d Natural Resources ... $ 8.12
d Asia Growth Co ... $ 14.94
d Emerg Market Deb ... $ 13.94
AIG FUND MANAGEMENT Ltd
d AIG Amer. Eq. Trust ... $ 36.9956
w AIG Asia Emerg Mkts Fd ... $ 98.9474
w AIG Balanced World Fd ... $ 108.5278
w AIG Emerg Mkts Bd Fd ... $ 96.7018
WAIG Eurecu Fund Plc ... Ecu 110.9368
w AIG Euro Small Co Fd Plc ... $ 122.7705
w AIG Europe Emerg Mkts Fds ... $ 102.1999
w AIG Europe Fd Plc ... $ 114.3668
w AIG Japan Fund ... $ 82.9917
w AIG Japan Small Cos Fd ... $ 12.10
w AIG Latin America Fd Plc ... $ 129.8154
w AIG Millicurrency Bd Fd Plcs ... $ 117.5897
w AIG South East Asia Fd ... $ 234.8913
w AIG Southeast Asia Sm Cos $ ... $ 86.7019
d High Life Fund ... Ecu 9.40
d UBZ Euro-Optimizer Fund ... Ecu 12.20
d UBZ Liquidity Fund $ ... $ 118.9641
d UBZ Liquidity Fund DM ... DM 131.0359
d UBZ Liquidity Fund Ecu ... Ecu 132.4482
d UBZ Liquidity Fund SF ... SF 126.0229
ALFRED BERG Sicav, 5 Bd de la Foire
L-2013 Luxembourg. Tel: +352-45721
d Alfred Berg Germ Sicav ... DM 225.84
d Alfred Berg Gbl Sicav ... $ 175.64
d Alfred Berg Jap Sicav ... Y 9420.00
d Alfred Berg Nth Am Sicav ... $ 128.59
d Alfred Berg Eastern ... SF 179.73
d Alfred Berg U.K. Sicav ... £ 79.99
d Alfred Berg Norden ... $ 224.45
d Alfred Berg Eur Sicav ... DM 216.85
d Alfred Berg Far East Sicav $ ... $ 162.69
ALLIANCE CAPITAL MANAGEMENT
c/o Bank of Bermuda (392-40466339)
w Alliance US Gr. Stra/ies ... $ 117.59
ALPHA FUND MANAGEMENT, LTD
48 Par-La-Ville Rd, Hamilton, HM11 Bermuda
w Alpha Asia Hedge (May31) ... $ 109.01
w Alpha Atlas Fd Ltd/Mar31 ... $ 91.68
w Alpha Europe Fd (Mar 31) ... Ecu 226.39
w Alpha Runners Fd (Mar31) ... $ 208.23
m Alpha Global Fd (Mar31) ... $ 829.03
m Alpha Hdg Fd Cl A/Mar31 ... $ 407.93
m Alpha Hdg Fd Cl B/Mar31 ... $ 95.93
m Alpha Hdg Fd Cl C/Mar31 ... $ 102.77
m Alpha Latin Amer (Mar 31) ... $ 278.67
m Alpha Pacific Fd (Mar 31) ... $ 336.24
m Alpha SAM ... $ 111.33
m Alpha Short Fd (Mar31) ... $ 64.77
m Alpha Sht-T Fix Inc/Mar31 ... $ 112.47
m Alpha Tilldale Fd (Ap 30) ... $ 173.61
m Alpha Worthington (Ap 30) ... $ 123.87
w BCO/Alpha Gl Hedge Mar 31 ... $ 84.14
w BCO/Alpha Mkt Neut Feb 28 ... $ 89.02
m Buch-Ecu EurHdg Mar31 ... Ecu 150.53
m Crescat Asian Hedge Ap 30 ... $ 88.61
m Goldvest Value (May 12) ... $ 115.19 E
w Heisei Japan Fund ... $ 57.95
m Hemisphere Neutral Mar31 ... $ 105.36
m Lattinvest Value (Ap 30) ... $ 106.66 E
w Pacif RIM Opp Fd/Mar31 ... $ 91.39
m Ringoen Int'l Fund/Ap 30 ... $ 84.27
m Sage Int'l Fd (Ap 30) ... $ 114.11
m Salus Int'l Fd (Mar 31) ... $ 111.74
m The Russia Fd (Ap 30) ... $ 93.30
AMSTEL (ASIA) LTD Tel: 8523-525 87 53
w Sprinter Japan Small Co I ... $ 8.31
m Theta Company Fd I ... Y 12500.00
ARRAL ASSOCIATES LTD
w Arral American Quant Fd ... $ 16.06
w Arral Asian Fund ... $ 355.24
w Arral Int'l Hedge Fund ... $ 207.13
ATLAS CAPITAL MANAGEMENT LTD
w Atlas Global Fd ... $ 98.87
BAIL 12 Place Vendome, 75001 Paris
m Intermarket Fund ... $ 561.79
f Interpal Convert Bds ... FF 2545.32
f Interpal Intl Bds ... $ 524.88
f Interpal Glbl Convertibles ... $ 582.34
Intermarket Multicurrency Fund
m Class A ... FF 2217.65
m Class B ... $ 211.47
BANK BRUSSELS LAMBERT (32-2) 547 2802
d BBL Invest America A ... $ 467.25
d BBL Invest Belgium A ... BF 13356.00
d BBL Invest For East A ... Y 28443.00
d BBL Invest Asia A ... $ 598.83
d BBL Invest Latin Amer A ... $ 433.36
d BBL Invest K A ... $ 256.68
d BBL (L) Inv Goldmines A ... $ 134.40
d BBL (L) Invest Europe A ... LF 13322.00
d BBL (L) Invest World A ... LF 3228.00
d BBL (L) Bond Med A ... $ 301.82
d BBL (F) Invest France A ... FF 393.15
d BBL (F) Remoland FRF A ... FF 15137.31
d BBL Renta Fd Intl A ... LF 3706.00
d BBL Patrimonial Bal A ... LF 20214.00
d BBL R C Sh-Medium A ... BF 124752.08
d BBL R C Sh-Medium A ... DM 5316.08
d BBL R C Sh-Medium A ... $ 3098.46
BANQUE BELGE ASSET MGMT FUND
Share Distributor Guernsey 44481 726614
w Int'l Equity Fund ... $ 11.14
w Int'l Bond Fund ... $ 14.93
w Dollar Zone Bd Fd ... $ 11.78
w Asia Pacific Region Fd ... $ 10.06
w India Fund ... $ 7.75
w Sterling Equity Fd ... £ 1.185
w Sterling Bd Fd ... £ 1.473
BANQUE INDOSUEZ
w The Dragon Fund Sicav ... $ 92.05
m Japan Gtd Fd A (28/04/95) ... $ 41.48
m Japan Gtd Fd B (28/04/95) ... $ 102.31
m Maxima Fut. Fd Ser. 1 Cl. A $ ... $ 152.431
m Maxima Fut. Fd Ser. 2 Cl. C $ ... $ 107.341
m Maxima Fut. Fd Ser. 2 Cl. D $ ... $ 107.285
m Indosuez Curr. Cl A Units ... $ 122.166
w IPNA - 3 ... $ 435.00
d ISA Asian Growth Fund ... $ 80.28
d ISA Japan Reg. Growth Fd ... Y 658.00
d ISA Pacific Gold Fund ... $ 17.53
d ISA Asian Income Fund ... $ 11.05
d Indosuez Korea Fund ... $ 11.35
w Shanghai Fund ... $ 9.33
w Himalayan Fund ... $ 15.51
w Manila Fund ... $ 29.51
w Malacca Fund ... $ 16.15
w Siam Fund ... $ 53.97
d Indosuez Hong Kong Fund ... $ 45.295
d Singap & Malay Trust ... $ 40.635
d Pacific Trust ... HK$ 35.845
d Taiwan Fund ... $ 5.855
d Japan Fund ... $ 15.970
d Managed Trust ... $ 34.110
d Gartmore Japan Warrant ... $ 0.22
w Indosuez High Yld Bd Fd A ... $ 84.82
w Indosuez High Yld Bd Fd B ... $ 95.02
m Maxi France ... Ptas 88955.00
b Maxi France ... FF 4919.60
d Indosuez Latin America ... $ 7.07
d Indosuez Multimedia Fd ... $ 11.70
d Indosuez Cur Sel Co Fd ... DM 16.04
BANQUE SCS ALLIANCE
(41)22 346-1281, Geneva
w Pictade North Am Equities ... $ 116.15
w Pictade Europe Equities ... Ecu 128.70
w Pictade Asia Pacific Eq ... $ 94.77
w Pictade Environment Eq ... $ 90.11
w Pictade Dollar Bonds ... $ 102.62
w Pictade ECU Bonds ... Ecu 112.57
w Pictade FF Bond Fd ... FF 108.96
w Pictade Int'l Conv Bonds ... SF 85.62
w Pictade Dollar Reserve ... $ 104.94
w Pictade ECU Reserve ... Ecu 108.29
w Pictade SF Reserve ... SF 104.81
w Pictade FF Reserve ... FF 108.80
BARCLAYS INTL FUND MANAGERS
Hong Kong, Tel: (8522) 8261900
d China (PRC) ... $ 6.580
d Hong Kong ... $ 20.090
d Indonesia ... $ 11.647
d Japan ... $ 7.979
d Korea ... $ 10.963
d Malaysia ... $ 26.468
d Philippines ... $ 25.297
d Singapore ... $ 28.502
d Thailand ... $ 36.227
d South East Asia ... $ 33.907
BARINGS FUND MANGRS (IRELAND) LTD
(SIB RECOGNIZED)
IFSC HSE,Custom Hse Docks,Dub.441716286000
w Baring Emerg World Fd ... $ 0.847
w Baring Global Resources ... $ 10.37
w High Yield Bond ... $ 9.69
w World Bond FFR ... FF 98.11
BARING INTL FD MNGRS (IRELAND) LTD
(SIB RECOGNIZED)
w Australia ... $ 24.43
w Japan Technology ... $ 50.51
w Japan Fund ... $ 21.91
w Japan New Generation ... $ 15.87
w Malaysia & Singapore ... $ 128.76
w North America ... $ 29.13
w Octopus Fund ... $ 40.56
w Pacific Fund ... $ 16.57
w International Bond ... $ 18.55
w Europe Fund ... $ 18.58
w Hong Kong ... $ 99.08
w Tokyo Warrant ... $ 21.98
w Sterling Bd Fd ... £ 14.93
BOWEN CAPITAL MGT
w Stewart Asia Fund ... $ 9.8169
w Zibangu Fund ... $ 9.7821
BSS GROUP
w Interbond Chf ... SF 70.26
w Interecu Chf ... SF 182.46
w Swissbond Chf ... SF 153.49
BSS UNIVERSAL FUND SICAV
d Global Eq USD A (Div) ... $ 20.0736
d Global Eq USD B (Cap) ... $ 21.2701
d Global Bonds USD A (Div) ... $ 16.0953
d Global Bonds USD B (Cap) ... $ 21.0824
d Global Bonds FRF A (Div) ... FF 105.7457
d Global Bonds FRF B (Cap) ... FF 107.7851
d Finmax Global FM A (Div) ... FM 191.6613
d Finmax Global FM B (Cap) ... FM 197.2076
d Europe ECU A (Div) ... Ecu 141.0933
d Europe ECU B (Cap) ... Ecu 143.6125
d Far East USD A (Div) ... $ 25.0897
d Far East USD B (Cap) ... $ 25.1556
d Japan JPY A (Div) ... Y 843.0240
d Japan JPY B (Cap) ... Y 843.0240
d Pacsar FRF B (Cap) ... FF 118.4260
d Nth America USD A (Div) ... $ 18.1788
d Nth America USD B (Cap) ... $ 18.2149
d Latin America USD A (Div) ... $ 16.8935
d Latin America USD B (Cap) ... $ 16.8935
d Asia USD A (Div) ... $ 9.2950
d Asia USD B (Cap) ... $ 9.2950
d World USD A (Div) ... $ 9.5541
d World USD B (Cap) ... $ 9.5541
BUCHANAN FUND LIMITED
c/o Bank of Bermuda Ltd: (809) 295-4000
f Global Hedge USD ... $ 12.79
f Global Hedge GBP ... £ 13.60
f Global CHF ... SF 13.31
f European & Atlantic ... $ 11.25
f Pacific ... $ 12.46
f Emerging Markets ... $ 13.37
CALLANDER
w Callander Emer. Growth ... $ 139.25
w Callander F-Asia ... $ 148.91
w Callander F-Austrian ... AS 1096.42
w Callander F-Spanish ... Pta 7996.00
w Callander F-US Health Cares ... $ 38.96
w Callander Swiss Growth ... SF 147.99
CANADIAN INTERNATIONAL GROUP
d CI Canadian Growth Fd ... C$ 6.35
d CI North American Fd ... C$ 8.07
d CI Pacific Fund ... C$ 15.94
d CI Global Fund ... C$ 8.48
d CI Emerg Markets Fd ... C$ 6.73
d CI European Fund ... C$ 5.81
CAPITAL INTERNATIONAL
w Capital Int'l Fund ... $ 139.44
w Capital Italia SA ... $ 43.76
CDC INTERNATIONAL
w CEP Court Terme ... FF 184644.32
CITIBANK, IRELAND FD ADM LTD
353-1 64 13 433
w Korea 3151 Century Invt ... $ 9.93
w The Yellow Sea Invt Co ... $ 10.56
CINUMAR BRAZIL FUND
d Cinbom Equity Fund ... $ 123.1357
d Cinbom Strategic Fund ... $ 131.4213
CITIBANK (LUXEMBOURG) S.A.
POB 1273 Luxembourg Tel. (352) 4514141
d Citinvest Global Bond ... $ 104.31
d Citinvest FGP USD ... $ 1169.43
d Citinvest FGP ECU ... Ecu 1211.15
d Citinvest Selector ... $ 1319.27
d Citicurrencies USD ... $ 1706.64
d Citicurrencies DEM ... DM 148.41
d Citicurrencies GBP ... £ 170.22
d Citicurrencies Yen ... Y 12561.00
d Citiport N.A. Equity ... $ 259.76
d Citiport Cont. Euro Equity ... Ecu 177.33
d Citiport UK Equity ... £ 125.70
d Citiport French Equity ... FF 1354.68
d Citiport German Equity ... DM 88.25
d Citiport Japan Equity ... Y 3779.00
d Citiport IAPEC ... $ 227.00
d Citiport Asia ex Jap ... $ 181.96
d Citiport N.A. $ Bond ... $ 170.27
d Citiport Euro Bond ... Ecu 153.63
d Citiport Jap Sm Cap ... Y 8853.00
d Managed Currency Fund ... $ 140.37
d India Focus Fund ... $ 795.66
CITIBANK (PARIS) S.A. 11/05/95
d Cit 96 Cas Gbl ... $ 10009.26
d Cit Asia Capital Gtd Fd ... $ 9.63
d Cit Gtd Asian Mkts Fd ... $ 9413.58
d Cit Lat Amer Can Gtd Fd ... $ 10.32
CITITRUST
w US $ Equities ... $ 293.605
w US $ Money Market ... $ 16.809
w US $ Bonds ... $ 18.411
w Citiperformance Phil S.A. ... $ 16.917
w The Good Earth Fund ... $ 11.504
COMGEST (33-1) 44 79 73 10
m C.F.E Onyx Fund ... $ 11.0184
f C.F.E. Lotus Fund ... $ 8.2911
w Comgest Asia ... $ 1248.55
w Comgest Europe ... SF 1354.20
CONCEPT FUND
b WAM Global Hedge Fd ... $ 1077.25
b WAM Intl Bd Hedge Fd ... $ 968.93
CONCERTO LIMITED
w NAV 12 May 1995 ... $ 92.05
COWEN ASSET MANAGEMENT
Cowen Enterprise Fund N.V.
w Class A Shs ... $ 1048.32
w Class B Shs ... $ 1611.50
CREDIS INVESTMENT FUNDS
d CS Portf Inc DM A ... DM 1027.87
d CS Portf Inc DM B ... DM 1663.37
d CS Portf Inc (Lire) A ... LI 1028500.00
d CS Portf Inc (Lire) B ... LI 1028508.00
d CS Portf Inc SFR A ... SF 987.12
d CS Portf Inc SFR B ... SF 1022.40
d CS Portf Inc US$ A ... $ 1016.49
d CS Portf Inc US$ B ... $ 1047.68
d CS Portf Bal DM ... DM 1035.38
d CS Portf Bal (Lire) ... LI 984484.00
d CS Portf Bal SFR ... SF 998.26
d CS Portf Bal US$ ... $ 1051.56
d CS Portf Growth DM ... DM 977.13
d CS Portf Gro (Lire) ... LI 939953.00
d CS Portf Growth SFR ... SF 931.25
d CS Portf Growth US$ ... $ 1042.66
d Credis Money Mkt Fd BEF ... BF 59657.08
d Credis Money Mkt Fd CS ... C$ 1371.78
d Credis Money Mkt Fd DM ... DM 1829.74
d Credis Money Mkt Fd Ecu ... Ecu 1462.76
d Credis Money Mkt Fd FF ... FF 6496.36
d Credis Money Mkt Fd HFl ... Fl 1255.72
d Credis Money Mkt Fd Lit ... LI 1313328.00
d Credis Money Mkt Fd Pta ... Ptas 134312.00
d Credis Money Mkt Fd SF ... SF 6023.54
d Credis Money Mkt Fd $ ... $ 1880.60
d Credis Money Mkt Fd Yen ... Y 147368.00
d Credis Eq Fd Emerg Mkts ... $ 2474.95
d Credis Eq Fd Emerg Mkts ... $ 1043.40 v
d Credis Fd Eq Eur Blue Ch ADM ... 230.54
d Credis Eq Fd Eur Blue Ch BDM ... 243.95
d Credis Eq Fd France A ... FF 919.97
d Credis Eq Fd France B ... FF 971.19
d Credis Eq Fd Germany A ... DM 242.50
d Credis Eq Fd Germany B ... DM 268.06
d Credis Eq Fd Gold Mines A ... $ 248.32
d Credis Eq Fd Gold Mines B ... $ 252.49
d Credis Eq Fd Hisp Iber A ... Pta 28854.00
d Credis Eq Fd Hisp Iber B ... Pta 28447.00
d Credis Eq Fd Italy A ... LI 230739.00
d Credis Eq Fd Italy B ... LI 241467.00
d Credis Eq Fd Jap Megat SFSF ... 191.88
d Credis Eq Fd Jap Megat ... Y 188830.00
d Credis Eq Fd Lat Amer ... $ 855.42 v
d Credis Eq Fd Netherlds A ... FL 422.27
d Credis Eq Fd Netherlds B ... FL 437.99
d Credis Eq Fd Nth-Amer A ... $ 257.51
d Credis Eq Fd Nth-Amer B ... $ 271.27
d Credis Eq Fd Oeko-Pratec ADM ... 194.23
d Credis Eq Fd Oeko-Pratec BDM ... 214.45
d Credis Eq Fd Small Cap Eur DM ... 829.29
d Credis Eq Fd Small Cap GerDM ... 938.75
d Credis Eq Fd Small Cap JapY ... 6797.00
d Credis Eq Fd Sm Cap USA ... $ 1095.36
d Credis Eq Fd UK A ... £ 117.64
d Credis Eq Fd UK B ... £ 123.40
d Credis Eq Fd Korea ... $ 787.55
d Credis Smit-Mid Cap SwitzISF ... 220.35 v
d Credit Suisse Fds Intl ... SF 124.50
d CS Gold Value ... $ 120.79 v
d CS Tiger Fund ... $ 1188.39
d Energie - Valor ... SF 135.75
d Europa Valor ... SF 206.75
d Pacific - Valor ... Y 7991.00
d Schweizerwerte ... SF 816.75 v
d Bond Valor D - Mark ... DM 114.10
d Bond Valor Sfr ... SF 113.38
d Bond Valor US - Dollar ... $ 122.67
d Bond Valor Yen ... Y 11153.00
d Bond Valor £ Sterling ... £ 102.16
d Convert Valor Swf ... SF 159.65
d Convert Valor US - Dollar ... $ 192.34
d Credis Bond Fd Aus$ A ... AS 1099.55
d Credis Bond Fd Aus$ B ... AS 1308.29
d Credis Bond Fd Cana A ... C$ 1057.28
d Credis Bond Fd Cana B ... C$ 1247.38
d Credis Bond Fd DM A ... DM 1140.30
d Credis Bond Fd DM B ... DM 1467.39
d Credis Bond Fd Ecu A ... Ecu 100.47
d Credis Bond Fd Ecu B ... Ecu 386.46
d Credis Bond Fd Europa A ... DM 219.23
d Credis Bond Fd Europa B ... DM 344.80
d Credis Bond Fd FF A ... FF 837.99
d Credis Bond Fd FF B ... FF 1079.41
d Credis Bond Fd Golden A ... Fl 101.03
d Credis Bond Fd Golden B ... Fl 762.94
d Credis Bond Fd Lire A ... LI 230288.00
d Credis Bond Fd Lire B ... LI 246908.00
d Credis Bond Fd Pesetas A ... Ptas 18621.00
d Credis Bond Fd Pesetas B ... Ptas 19340.00
d Credis Bd Fd Prime Curr A SF ... 88.30
d Credis Bond Fd Prime Curr B SF ... 137.64
d Credis Bond Fd Short-T. DM ADM ... 102.33
d Credis Bond Fd Short-T. DM BDM ... 104.64
d Credis Bd Fd Short-T. $ A ... $ 102.27
d Credis Bd Fd Short-T. $ B ... $ 168.88
d Credis Bond Fd SF A ... SF 278.20
d Credis Bond Fd SF B ... SF 315.31
d Credis Bond Fd US$ A ... $ 1025.85
d Credis Bond Fd US$ B ... $ 1377.13
d Credis Money Mkt Fd Yen A ... Y 109369.00
d Credis Money Mkt Fd Yen B ... Y 119534.00
d Credis Bond Fd £ A ... £ 554.07
d Credis Bond Fd £ B ... £ 768.46
d CS Capital DM 1997 ... DM 1832.62
d CS Capital DM 2000 ... DM 1518.46
d CS Capital Ecu 2000 ... Ecu 1482.64
d CS Capital FF 2000 ... FF 1432.61
d CS Capital SFR 2000 ... SF 1614.37
d Convert Valor £ ... £ 83.78
d Credit Suisse Fds Bds ... SF 84.25
d CS Fixed 1 DM 8% 1/96 ... DM 104.46
d CS Fixed 1 Ecu 8 3/4% 1/96 ... Ecu 106.22
d CS Fixed 1 SF 7% 1/96 ... SF 104.27
d CS Eurorent ... DM 101.98
CREDIT AGRICOLE
INDEXIS
d Indexis USA/S&P 500 ... $ 21.37
d Indexis Japon/Nikkei ... Y 1443.38
d Indexis G Brit/FTSE ... £ 13.87
d Indexis France/CAC 40 ... FF 145.16
d Indexis C.T. ... FF 121.03
MOSAIS
d Actions Int'l Diversifiées ... FF 120.10
d Actions Nord-Américaines ... $ 24.39
d Actions Japonaises ... Y 1494.12
d Actions Anglaises ... £ 13.95
d Actions Allemandes ... DM 36.91
d Actions Françaises ... FF 135.80
d Actions Espagnoles ... Pta 3861.14
d Actions Italiennes ... Lit 22834.70
d Actions Bassin Pacifique ... $ 33.46
d Actions Suisses ... SF 41.04
d Obliig Int'l Diversifiées ... FF 126.08
d Obliig Allemandes ... DM 41.48
d Obliig Françaises ... FF 156.17
d Obliig Esp. & Port. ... Pta 2739.81
d Obliig Convert. Intern. ... FF 145.70
d Court Terme Ecu ... Ecu 23.39
d Court Terme USD ... $ 18.09
d Court Terme FRF ... FF 148.62
d Court Terme DEM ... DM 40.36
CREDIT COMMERCIAL DE FRANCE
w Elysees Monetaire ... FF 15794.61
d Sam Actionah USD B ... $ 1156.46
CURSITOR FUND
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d Cursitor Glbl Bd Opport ... $ 185.47
d Cursitor Glbl Gwth Sub-Fd ... $ 101.84
DARIER HENTSCH GROUP
Tel 41-22 708 68 68
d Hentsch Treasury Fd ... SF 9515.34
d DH Motor Markets Fund ... SF 9422.17
d DH Monaterra Portfolio ... SF 8142.69
d Samurai Portfolio ... SF 259.23
DISCOUNT BANK GROUP
w Eurovest Equity ... Ecu 1301.25
w N. America Equity ... $ 1442.15
w Pacific Equity ... $ 1261.71
w Dolvest Bond ... $ 1202.15
w Multicurr. Bond ... SF 1399.18
w Multicurrency Bond ... FF 4958.94
w Multicurrency Bond ... DM 973.84
DISCOVER INVESTMENTS
w Discover Asia ... $ 9.55
w Discover Europe ... $ 9.78
DIT INVESTMENT FFM
d Concentra + ... DM 49.46
d Int'l Rentenfond + ... DM 64.27
DRESDNER INTL MGMT SERVICES
La Touche House - IFSC - Dublin 1
DSB Thornton Lot Am Sel Fd
d Consolstodar Fund ... $ 7.49
DUBIN & SWIECA ASSET MANAGEMENT
Tel : (809) 945 1400 Fax : (809) 945 1689
m Highbridge Capital Corp ... $ 12743.68
m Overlook Performance Fd ... $ 2013.26
m Pacific RIM Op Fd ... $ 91.39
EBC FUND MANAGERS (Jersey) LTD
12 Seale St, St Helier : 441534-34031
EBC TRADED CURRENCY FUND LTD
d Capital ... $ 24.926
d Income ... $ 15.831
INTERNATIONAL INCOME FUND
d Long Term ... $ 31.2467
d Long Term - DMK ... DM 102.9618
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m Mini Sp Res Ltd (BNP) ... $ 96.81
m Mini Gtd Currencies ... $ 6.59
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m Mini G GL Fin 2003 ... $ 5.97
m Mini Plus Gtd 2003 ... $ 9.45
m Mini Plus Gtd Bond ... $ 101.89
m Athena Gtd Futures ... $ 15.82
m Athena Gtd Currencies ... $ 9.24
m Athena Gtd Financials Cos ... $ 12.58
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m Max Guarantees 1996 Ltd ... $ 9.09
m Max Leveraged Recov. Ltd ... $ 10.43
m MAP Guaranteed 2000 ... $ 8.78
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w Ermitage Asian Fd ... $ 7.88
w Ermitage Euro Hedge Fd ... DM 9.87
w Ermitage Crosby Asia Fd ... $ 15.90
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w Ermitage UK Value Fd ... £ 11.07
EUROPA FUNDS LIMITED
d American Equity Fund ... $ 362.57
d American Option Fund ... $ 185.14
d Asian Equity Fd ... $ 122.97
d European Equity Fd ... $ 137.97
EVEREST CAPITAL (809) 292 2280
m Everest Capital Intl Ltd ... $ 120.83
FAIRFIELD GREENWICH GROUP
m Advanced Strategies Ltd ... $ 167.4364
m Chorus International Ltd ... $ 99.39
m Dearborn Trading Intl Ltd ... $ 69.70
m Fairfield Intl Ltd ... $ 224.55
m Fairfield Sentry Ltd ... $ 364.75
m Sentry Select Ltd ... $ 521.1227
FIDELITY INVESTMENT
Tel - 00 352 251251230
d Discovery Fund ... $ 20.54
d New Europe Fund ... $ 14.33
d Worldwide Fund ... $ 115.26
d Far East Fund ... $ 70.83
d Frontier Fund ... $ 36.57
d Orient Fund ... $ 14.68
d Global Selection Fund ... $ 20.44
d Special Growth Fund ... $ 27.00
FINMANAGEMENT SA-Lausanne(41.91/2392172)
w Delta Premium Cum. ... $ 1235.00
FOKUS BANK A.S. (Phone : 47-22 82 0111)
w Fokus Int'l Growth Fd ... $ 1.08
FOREIGN & COLONIAL EMERG MKTS LTD
Tel : London 171 628 1234
d Argentinian Invest Co Sicav$ ... $ 19.35
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d Colombian Invest Co Sicav ... $ 12.94
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FUND MARKETING GROUP (BID)
P.O. Box 2001, Hamilton, Bermuda
m FMG Global (30 Apr) ... $ 13.13
m FMG N. Amer. (30 Apr) ... $ 10.48
m FMG Europe (30 Apr) ... $ 11.28
m FMG EMG MKT (30 Apr) ... $ 10.24
m FMG G (30 Apr) ... $ 9.16
m FMG Fixed (30 Apr) ... $ 10.20
FX CONCEPTS (BERMUDA) LTD
m Concepts Currency Fd ... $ 101.22
m Strategic Currency Fd ... $ 102.93
GAIA CURRENCY FUNDS
w Gaia Hedge II ... $ 162.27
w Gaia Hedge III ... $ 18.14
m Gaia Guaranteed Cl I ... $ 85.26
m Gaia Guaranteed Cl II ... $ 83.33
GARTMORE INDOSUEZ FUNDS 18/05/95
Tel : (352) 46 54 24 470
Fax : (352) 46 54 23
BOND PORTFOLIOS
d DEM Bond ... Dis 5.67 ... DM 6.92
d Dwebmark ... Dis 2.67 ... SF 3.17
d Dollar Bond ... Dis 2.20 ... $ 2.61
d European Bd ... Dis 1.21 ... Ecu 1.38
d Global Bond ... Dis 2.31 ... $ 2.77
d reach Franc ... Dis 9.94 ... FF 13.55
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d Asia Pacific ... $ 4.81
d Continental Europe ... Ecu 1.52
d Developing Markets ... $ 3.41
d France ... FF 11.00
d Germany ... DM 5.35
d International ... $ 2.52
d Japan ... Y 216.00
d North America ... $ 2.88
d Switzerland ... SF 3.52
d United Kingdom ... £ 1.64
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d Yen Reserve ... Y 291.1
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w Scottish World Fund ... $ 468.5323
GENESEE FUND LTD
w (A) Genesee Eagle ... $ 154.16
GLOBAL ASSET MANAGEMENT
OFFSHORE FUNDS
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w GAMerica ... $ 473.46
w GAM Arbitrage ... $ 438.07
w GAM ASEAN ... $ 428.85
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w GAM Cross-Market ... $ 120.00
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w GAM Franc-val ... SF 229.44
w GAM GAMCO ... $ 231.41
w GAM High Yield ... $ 171.15
w GAM East Asia ... $ 675.68
w GAM Japan ... $ 755.99
w GAM Money Mkts US$ ... $ 102.20
w Do Sterling ... £ 102.14
w Do Swiss Franc ... SF 101.09
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w Do Yen ... Y 10050.00
w GAM Allocated Mill-Fd ... $ 158.79
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d J.B. Emerg Mkts Eq Fd ... $ 94.00
d J.B. Danish Bond Fd ... Dkk 101.00
d J.B. Intl Bond Fd ... Dkk 131.250
KEY ASSET MANAGEMENT INC
m Key Asia Holdings ... $ 96.42 E
m Key Global Hedge ... $ 231.13 E
m Key Hedge Fund Inc ... $ 152.14 E
KI PACIFIC ASSET MANAGEMENT INC
m KI Asia Pacific Fd Ltd ... $ 10.97
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d Asian Dragon Port NV A ... $ 9.53
d Asian Dragon Port NV B ... $ 9.50
d Global Advisors II NV A ... $ 11.61
d Global Advisors II NV B ... $ 11.56
d Global Advisors Port NV A ... $ 10.70
d Global Advisors Port NV B ... $ 10.59
d Lehman Cur Adv. A/B ... $ 8.09
d Natural Resources NV A ... $ 9.99
d Natural Resources NV B ... $ 9.97
d Premier Partners Adv A/B ... $ 11.67
LIPPO INVESTMENTS
24/F Lippo Centre, 89 Queensway,HK
Tel (852) 867 6888 Fax (852) 596 0388
w Java Fund ... $ 7.86
w IDR Money Market Fd ... $ 13.76
w Indonesian Growth Fd ... $ 25.59
LLOYD GEORGE MNGMT (852) 843 4433
w Antenna Fund ... $ 15.79
w LG Asian Smaller Cos Fd ... $ 16.9985
w LG India Fund Ltd ... $ 12.44
w LG Japan Fd ... $ 7.17
w LG Korea Fd Plc ... $ 8.92
w LG Strategic Gold Fd Ltd ... $ 9.49
LLOYDS BANK INTL (BAHAMAS) Ltd
w Lloyds Americas Portfolio ... $ 10.33
LOMBARD, ODIER & CIE - GROUP
OBLIFLEX LTD (CI)
d Multicurrency ... $ 36.17
d Dollar Medium Term ... $ 26.33
d Dollar Long Term ... $ 22.63
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d Pound Sterling ... £ 28.67
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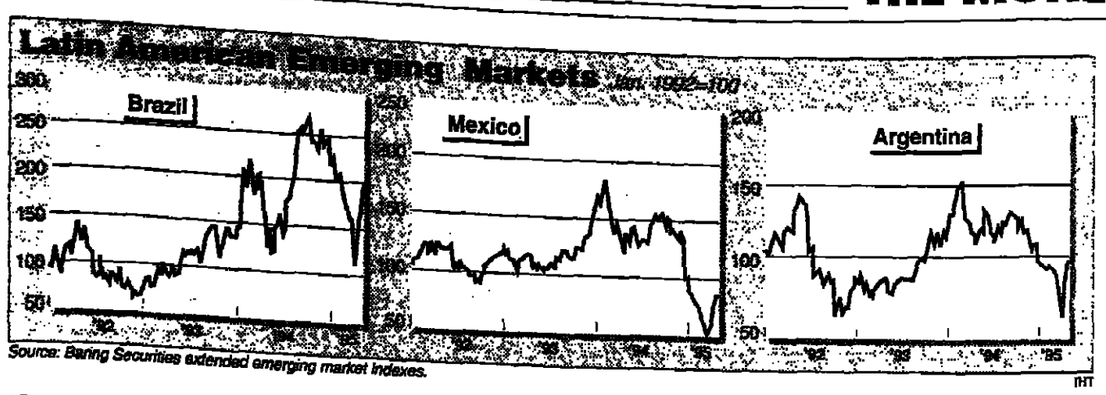
THE MONEY REPORT



Source: Baring Securities extended emerging market indexes. IHT

Latin America: Diamonds in the Rough

By Judith Rehak

YOU can hardly blame even intrepid investors for shying away from Latin America right now. Stock markets in Mexico, Brazil and Argentina are still reeling from the "tequila effect," or spillover from the precipitous devaluation of the Mexican peso in December. These markets are down as much as 40 percent.

Yet investors who have braved Latin America for years maintain that the region's long-term growth story is still solid.

Politically, investors have been cheered by the re-election of President Alberto Fujimori of Peru and, just last week, President Carlos Saúl Menem of Argentina. Both men have instituted tough economic measures that have delivered stable currencies and tamed rampant inflation, and in doing so they have gained widespread approval in their home countries and abroad.

Latin America also offers some of the best opportunities for emerging market investors, claims Peter Gruber, president of Latinvest Management Corp. in Berkeley, California.

"Market valuations are about half that of the Far East," Mr. Gruber says. At the same time, "per capita income in Asia is only $720 annually, and in Latin America, it's $3,355," he adds.

Mr. Gruber also sees Mercosur, the trade bloc covering Brazil, Argentina, Uruguay and Paraguay and their 200 million people, as a tremendous plus that will drive industries like car production in Brazil, now at 2 million units annually, to 4 to 5 million units a year in six years. "China won't be at that point until 2015," he says.

Another theme throughout Latin America is the success of the privatization of inefficiently run government companies.

In 1993, the Argentine oil company YPF reduced its work force after privatization to 7,500 employees, down from 51,000 in 1990, accompanied by a near-quadrupling in productivity per employee.

Shares in privatized phone companies throughout Latin America also have been the darlings of foreign investors, reaping healthy returns in Chile, Mexico and Argentina.

But does all this mean that investors should be getting ready to return to Latin America sometime soon? Not necessarily.

Mexico, by all accounts, remains the highest risk. Even though the stock market has rallied, and first-quarter earnings from Mexican companies were better than anticipated, most experts remain on the sidelines.

"Mexico is dead money for now," says one.

There are deep concerns about Mexico's draconian austerity program, imposed by the government of President Ernesto Zedillo, which is slashing the spending power of the middle and lower classes by half. "What worries me is the social-political backlash from that," says Terence Mahony, chief investment officer for emerging markets at HSBC Asset Management.

Markets are promising but volatile, so one expert says a three-year investment time frame is 'realistic.'

Mr. Gruber, for his part, has a substantial stake in Brazil, with shares in Telebras, the country's phone company, and Usiminas Mecanica, a steel manufacturer, as well as in companies in energy, banking, and food and beverages.

Mr. Mahony calls Brazil "a conundrum." He says he is convinced that Domingo Cavallo, the finance minister, is serious about economic reform, but that expectations for quick reform may be too high and may rekindle inflation, now at 1.8 percent a month compared with 45 percent a year ago.

But he gives Brazil the benefit of the doubt, holding blue chips like Electrobras, a utility, and Vale do Rio Doce, a mining and transportation company.

Latin America experts are even more cautious on Argentina, which teetered on the edge of a banking crisis earlier this year when frightened local and foreign investors withdrew their deposits after Mexico's peso devaluation.

One investor observed: "The risk is not currency devaluation but economic slowdown. A lot of money left the country."

Elsewhere, the tiny Peruvian stock market is attracting attention because of the country's phenomenal recovery under Mr. Fujimori.

Peru's inflation, once an astronomical 7,000 percent annually, is now around 10 percent to 12 percent. Terrorism is at its lowest ebb in years, and privatization is under way.

Foreign investors have been buying stocks in Peru's mining sector and the country's telephone company, although Mr. Gruber warns that shares are "fully priced, so there's not much room for a hiccup."

Other investors say they only feel comfortable in Chile because of its solid financial footing and strict economic and currency controls that have made it a model for economic reform in the rest of Latin America.

For individual investors who insist on jumping in now, Mr. Gruber has one last piece of advice: Judge your investments over a three-year time frame to account for any volatility. "That's not optimistic," he says. "That's realistic."

Currency Questions Hurt Asia Markets

By Kevin Murphy

OVERSHADOWED by currency volatility and collapses in emerging markets elsewhere in the world, many of Asia's stock markets outside Japan have lost none of their fundamental appeal, fund managers and strategists say.

Yet the timing of recovery in international investor sentiment remains elusive, given the yen's recent might, U.S. investors' willingness to venture abroad again and concerns that a global capital shortage will slow Asia's steady growth.

When Hong Kong and Wellington are among the Asia-Pacific region's best-performing stock markets, it is a clear sign that Asia's proven high-growth potential no longer translates directly into portfolio performance.

In New Zealand's case, a strengthening local currency, strong growth and low inflation have inspired equity investors' confidence. In Hong Kong, the market is running strong based on the belief that it couldn't get much cheaper after a disastrous 1994.

But what about everywhere else in between?

Spooked by the sudden collapse of the Mexican peso, many fund managers have turned their backs on emerging markets wherever they might be. Any country with a current-account deficit — more money going out than coming in — and an unfamiliar currency is suddenly suspect.

"Emerging countries tend to have current-account deficits," said Stephen Swift, head of global equities with Credit Suisse Asset Management Ltd. "It all depends on how that deficit is comprised.

"Current-account deficits can be tolerated if it means a country is investing in new productive capacity," said Mr. Swift, noting investors' overall preference for long-term direct investment over "hot money" flowing quickly in and out of portfolio investments such as equities and bonds.

There are differing degrees of dependence on current-account deficits to fund the strong growth seen throughout Asia outside Japan. But almost all countries in Asia compare favorably with Mexico and the other Latin American markets, where stock exchanges were hammered by foreign investors after the peso collapsed.

Asia has been far better at steering foreign capital into productive capacity than Latin America as a whole, according to experts. At the same time, it has managed to keep inflation low and improve productivity despite the capital inflows.

Many money managers were forced to liquidate Asian positions to pay for heavy redemptions on mutual funds that straddled Latin America and Asia as the Latin American markets melted down.

But just when the markets began to settle, a new blow in the form of the U.S. dollar's rapid deterioration against the yen arose to worry investors.

Concerns that countries with dollar-linked currencies would be uncomfortably squeezed by the fact that they had borrowed in yen — but earned much of their export income in dollars — brought a new worry into investors' minds.

While many Asian countries have sought some form of debt relief from Tokyo on long-term borrowing denominated in yen, most countries appear to be coping well with the added payments.

A higher yen might mean higher inflation for countries dependent on Japanese capital goods imports, but as Japan's own exports lose in competitiveness due to the yen's appreciation, most Asian countries stand to benefit.

For direct competitors such as Korea and Taiwan, a straightforward substitution process is now underway in categories of goods where a clear quality or marketing advantage has been maintained by Japan.

Other countries stand to benefit as Japanese companies are forced to utilize cheap foreign labor to remain competitive, accelerating a process that has been behind much of non-Japan Asia's growth in recent years.

"Overall we have every reason to be confident in most of these markets," said Mr. Swift of stock exchanges from South Korea to Singapore. "These markets are becoming major markets, and the choice of investments in Asia continues to grow.

"In 1995 we see in individual countries some signs of peaking earnings momentum," he said. "They may slow down, but we are not talking about a dramatic slowdown."

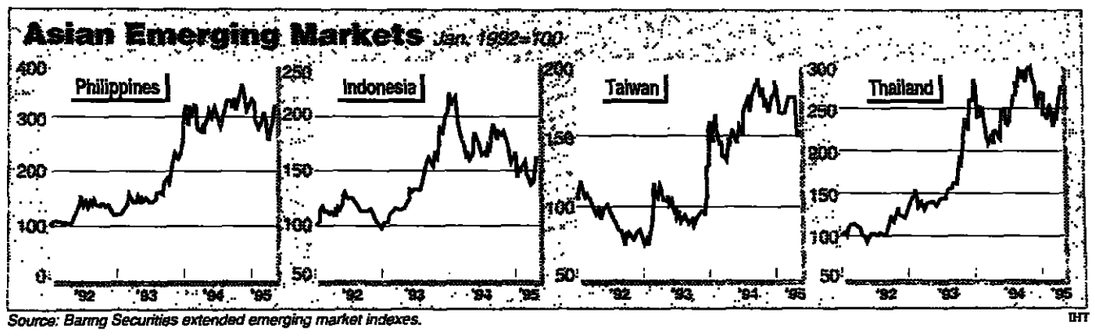
However, according to Mark Faber, a Hong Kong-based investment analyst, Asia's glory will be more subdued in future years, given its own need to invest heavily in infrastructure and high-tech manufacturing at a time when U.S. import growth may slow and global competition for capital is poised to intensify.

"Asia has for the first time become dependent on foreign capital for investment and it's happening at a time when the need for capital elsewhere is rising," Mr. Faber said of areas like Eastern Europe and Russia, which are now more likely to be able to attract investment than a few years ago.

In Tokyo the situation is far more confused in the near term. With Japan and the United States apparently set to square off in a trade war but no signs of lasting currency stability on the horizon, strategists quickly divide on the next step forward for Japanese equities.

Nicholas Knight, deputy managing director and head of strategy for Nomura Research Institute Europe Ltd., has predicted that Japan is headed for another recession on the back of the yen's damage to economic recovery. As such Japanese equities are no place to be in coming months, based on a pessimistic view on currency strength.

"There is no mechanism now with which Japan can recycle its trade surpluses," Mr. Knight said. "And that is causing serious difficulties."



Source: Baring Securities extended emerging market indexes. IHT

Bargain-Hunting on U.S. Exchanges

THE U.S. stock markets stayed in record territory last week, buoyed by sharp rises in corporate profits for the first quarter of the year and by a growing body of evidence that domestic inflation will remain subdued for now.

But with the Dow Jones Industrial Average and Nasdaq small-capitalization composite index climbing steadily, some observers are saying that the markets are too expensive, and that it's too late to get in.

Not by a long shot, says another camp of analysts. These market bulls don't necessarily agree on where investors should place their bets right now, and all have some caveats. But they argue that the movement of business cycles and some fundamental changes in corporate America portend continued high performance by U.S. stocks.

"Small-cap stocks in the U.S. are the place to be if you're willing to take some extra risk," says Donald Pitcher, manager of the MFS International U.S. Emerging Growth Fund.

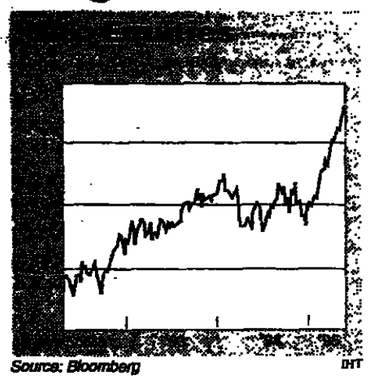
Small company stocks tend to run in cycles of about seven years, and Mr. Pitcher gives the current market upturn, which started in late 1990, at least three years to go.

He notes that the recent declines in U.S. interest rates and low inflation have also created an ideal climate for small companies.

"It's especially true in high-tech stocks, where earnings are exploding," he added. His fund, which is up 12 percent this year, has a hefty 42 percent stake in technology companies.

Mr. Pitcher's picks must have at least a 20 percent growth in annual earnings, be major players in their markets, and have managements with a personal stake in the company.

Among his current favorites are Autodesk Inc., which owns 70 percent of the design software market, and Oracle Systems Corp., a maker of software for client-server computers, growing at 35 percent a year.


Source: Bloomberg IHT

Only an upturn in inflation could hurt these stocks, Mr. Pitcher maintains, adding that he doesn't see that as a threat.

Mr. Pitcher also sees buying opportunities in health maintenance organizations, or HMOs, whose prices have been beaten down by uncertainty over health care reform.

His rationale for owning companies like United Healthcare Corp. and Mid-Atlantic Medical Services Inc. is that no matter what the changes are in health care, the inevitable cost-cutting will favor HMOs.

Not all stripes of small company stocks make the experts' buy lists right now, however.

Mary Lisanti, managing director of the global investment management group at Bankers Trust, is bullish on small companies in many sectors.

However, she is less than enthusiastic on many small banks and retailers because, as she puts it, the American consumer market is "overstored" and "overbanked." Ms. Lisanti maintains that many small banks will only produce good returns for their investors if they are bought by larger banks.

Ms. Lisanti also warns investors to pay "more attention than usual" to their small-company stocks, which can be notoriously volatile.

She also advises not to hesitate about bailing out: "The key is to have a sell discipline," she says. "Don't marry your stocks."

Mr. Pitcher agrees. If he sees anything slipping, "I'm out in a day," he says.

For investors who prefer less volatility and more familiar names, there are other opportunities in the United States right now, according to Walter Downey, portfolio manager of Fidelity's World Fund, which owns shares primarily in big U.S. companies.

HE points to the profits being reaped by companies that have cut costs, applied technology and increased productivity, making them the low-cost producers of everything from aircraft and steel to paper products.

For investors looking to gain the full benefits of this trend, Mr. Downey favors three "early-stage restructuring" companies: Xerox Corp., Exxon Corp. and General Motors Corp. Mr. Downey also likes sectors which are "underowned" by U.S. fund managers, such as defense, energy and capital equipment.

Mr. Downey also finds U.S. banks a "fascinating group." He points out that changes in banking laws, which are driving reorganizations, favor institutions like Citicorp, Bank of New York and Core States Financial, which he deems only modestly valued.

J.R.

Institutions Take a Shine to Base Metal

By Baie Netzer

BASE metals may not have the glamour of gold and silver or the global political importance of oil, but as exchange-traded commodities they are proving increasingly popular among institutional investors.

These investors, among them banks, pension funds and multinational corporations, pumped $26 billion into the base-metal market last year, according to an estimate from Prudential Bache (Futures) Ltd. in London. Exchange-traded derivative products on base metals such as aluminum, zinc, tin, nickel, lead and copper are available on the London Metals Exchange, the 9th largest exchange in the world.

"Traditionally, the exchange was used as the classic hedging facility for producers and consumers, or people making and taking delivery," explains John King, a Prudential executive.

Currently, however, institutional investor participation has risen to 25 percent of the market, helped in part by the rally in base metal prices last year.

That price rally stemmed in part from agreements between Western producers and the nations of the former Soviet Union. In exchange for those countries' curtailing the amount of base metals they bring onto the market, Western producers have promised to transfer technologically advanced production techniques to their competitors in the East.

An increasingly varied selection of base metal financial products have also boosted their popularity among institutional and wealthy private investors. Futures trading in base-metal indexes or in baskets of base metals trebled last year, largely pushed by the funds sector.

"As the institutional side gets more and more involved in products like indexes and baskets, it becomes easier and easier to generalize about base metals as an index class," says Mr. King.

For instance, the outlook for base metals can largely be tied to projected gross domestic product growth in Western countries, Mr. King said. The accepted estimate is that base-metal prices will rise 6 percent for every 1 percent increase in GDP.

Though that may sound like a guarantee for success, a pullback in base-metal prices during the first quarter of this year has already occurred, and institutional investors appear to have slowed their rush into the market.

The risk of a further market exit from institutional investors is one of the dangers for those considering a position in base-metal futures. In addition, investors searching for good liquidity may find a downturn in base metals extremely volatile and hard to get out of, notes Mr. King.

Another risk involves the agreements with the former Soviet states. "There is already some evidence that those agreements are not being followed to the letter," acknowledges Michael Purdy of Prudential Securities' New York office. "But that's largely already been discounted into the prices."

Structured or over-the-counter derivative products are also available to make a play on base-metal prices, but these products are more often used by producers or end users of the metals. The resurgence in base-metal trading has largely occurred through "basic, vanilla, exchange-traded products," Mr. King says.

Investors who wish to dabble in base metals but want to avoid the complex derivative market may also look to the shares in base-metal mining companies. Indeed, the return on these shares can exceed the price increase in the underlying metal, Mr. King says.

The catch? "You have to pick exactly the right company," he says.

BRIEFCASE

Jersey Allows Limited Partners

Venture capitalists seeking to combine the tax advantages of an offshore incorporation with the flexibility of a limited partnership now have one more place they can go.

A recent change in Jersey law provides that limited partnerships can now be established on the island.

Among other things, the change means that companies in need of venture capital, such as emerging biotechnology companies or management buyout firms, can use the Channel Island to take advantage of a corporate structure that particularly favors such companies.

Limited partners are passive investors whose liability for debts and obligations is limited to the amount of their contributions but who are legally forbidden to take part in management. That role is reserved to the general partners, who have unlimited liability.

A spokesman says the Jersey law offers several advantages over similar legislation in other jurisdictions.

For one thing, Jersey limited partnerships will be treated as "fiscally transparent," with each partner being separately assessed for tax. This means that each limited partner can identify any losses incurred, which he may be able to set against his own income for tax purposes.

For another, accounts can be kept in any currency, even the European Currency Unit, or Ecu.

Guide Tells All About New PEPs

One of the most popular investment vehicles on the U.K. market is the personal equity plan, or PEP. In their newest permutation, PEPs based on corporate bonds are expected to come on the market in a flood this summer. Three corporate bond plans are already out there, and investment advisers say demand is high.

"A lot of our clients require sustainable, high income together with stability of capital, and they are already showing considerable interest in the new PEPs," says Roz Barder, an editor at Chase de Vere Investments, a London financial advisory firm.

To help sort things out, Chase de Vere has just published a guide to corporate bond PEPs.

The firm believes many PEP holders will be tempted to switch into the new corporate bond instruments because of the attraction of high income. "But our advice for the time being is: Wait and see," Ms. Barder says. "The market is still digesting the rules, and the product providers are already showing wide variations in their approach. It's clearly going to be a very competitive market with lots of opportunities."

The guide is available free of charge by calling London, (0800) 526-092.

The Money Report is edited by Martin Baker

SPORTS

Penguins Shut Out Capitals in Game 7

The Associated Press

PITTSBURGH — Even without Mario Lemieux, no playoff lead is safe against the Pittsburgh Penguins. Especially when the Washington Capitals hold it.

Goaltender Ken Wregget again made the difference in a Game 7, stopping 33 shots as the Penguins

NHL PLAYOFFS

completed their second comeback from a 3-1 deficit in four years against Washington with their 3-0 victory Thursday night.

The Penguins next meet the New Jersey Devils in the Eastern Conference semifinals here Saturday. The Penguins eliminated the Devils in 1991 and 1993.

Washington, only one victory away from eliminating Pittsburgh after consecutive 6-2 victories in Games 3 and 4, became only the 13th NHL team to blow a 3-1 series lead. And they are the only team to do so three times.

"I don't look at it as they choked, but that we won," said Kevin Stevens, who set up Pittsburgh's second goal. "We just kind of hung around long enough" and "we found a way to win it."

The Capitals also couldn't hold such leads against the eventual Stanley Cup champion Penguins in 1992, and the New York Islanders in a 1987 collapse finished off by a four-overtime Game 7.

Norm Maciver and Ron Francis scored first-period goals and the Penguins, who twice rallied from two-goal deficits at home earlier in the series, made just such a lead stand up behind Wregget.

"Once they had us 3-1, I think they were planning to put us away a lot earlier than Game 7," Wregget said. "Maybe it got us focused. We didn't panic and there was no dissension."

Wregget, yanked for the rusty Tom Barrasso during Pittsburgh's two blowout losses at Landover, Maryland, stopped all but one of the Capitals' 64 shots in the final two games. Their only goal after a 6-5 loss in Game 5 came with Pittsburgh up by 7-0 in Game 6.

"I didn't play any differently the last two games," said Wregget, who didn't have a single regular-season shutout.

The Capitals got a solid game from suddenly steady goaltender Jim Carey, who stopped only 7 of 13 shots in Game 6, but they couldn't solve Wregget or Pittsburgh's suddenly tightened-up defense.

The Capitals outshot Pittsburgh 33-18, but few of the scoring chances were particularly good, and they couldn't get to Wregget even when they got them. Their best chance probably came when Peter Bondra, the NHL regular-season goal scoring leader, was stopped point blank on a breakaway with three minutes left.

Dan Levine/Reuters

Ron Francis (second from left) scored and Pittsburgh's fans sensed capitulation.

Timely Homer Benefits Texas

The Associated Press

On a night when 18 home runs were hit in American League parks, Rusty Greer, Mike Macfarlane and Jon Nunnally hit the most timely ones.

Pinch-hitter Greer's grand slam in the bottom of the eighth gave the Texas Rangers a 6-2 victory over the Milwaukee

AL ROUNDUP

Brewers. Macfarlane, too, connected in the bottom of the eighth as Boston beat Cleveland. Nunnally's homer in the bottom of the 14th gave Kansas City a victory over Seattle.

"It's a great feeling," said Greer, who gave the Rangers their fourth straight victory and the Brewers their fifth straight loss.

Greer was pinch-hitting for Jack Voigt, who was acquired Tuesday from Baltimore and hit a bases-empty homer in the seventh to tie the score. Manager Johnny Oates played the left-handed Greer against the right-handed Mark Keifer because the Brewers were out of left-handed relievers.

Red Sox 4, Indians 3: Macfarlane's homer was his sixth of the season and his fourth in the last five games. He moved into the cleanup spot for Boston because Jose Canseco went on the disabled list Wednesday.

Carlos Baerga went 3-for-4 and drove in two runs for the Indians, but he botched a double-play ball in the sixth that allowed the Red Sox a 3-2 lead.

The Red Sox won their fifth straight, putting them a half-game behind *Philadelphia* for best record in the majors.

Royals 3, Mariners 2: Nunnally, who entered the game as a pinch-hitter in the 10th, rescued the Royals on a night when they had considerable trouble *driving in runners.*

They left 23 men on base, with 14 in scoring position and six at third base.

Angels 15, Twins 9: Reserve catcher Andy Allanson homered twice, drove in six runs and went 4-for-5 to raise his average from .048 to .192 as California won in Minneapolis.

Tony Phillips and Spike Owen also homered for California, which led by 10-1 before the Twins rallied for seven runs in the sixth. Pedro Munoz hit two homers for the Twins.

White Sox 4, Athletics 2: Mike Devereaux hit a two-run homer in the seventh in Chicago while Alex Fernandez retired the first 11 Oakland batters, took a no-hitter into the sixth and finished with 10 strikeouts in eight innings.

Orioles 3, Tigers 2: Baltimore, playing at home, got two runs on an error by Cecil Fielder and the go-ahead run in the sixth on a balk by David Wells.

Disney, Just Ducky in NHL, To Up the Fun With Angels

Los Angeles Times Service

ANAHEIM, California — The Walt Disney Co. and the California Angels announced that the entertainment giant has agreed in principle to buy a 25 percent interest in the baseball team, with an option to purchase the rest "at a later date."

"When the deal is consummated, Disney will be the managing partner and run the day-to-day operations of the baseball club," Richard M. Brown, the team's president and chief executive officer, said Thursday.

Completion of the deal is subject to the approval of the other major league owners.

The Angels have been for sale for more than a year. As recently as May 5, Peter J. Ueberroth, the former baseball commissioner and president of the Los Angeles Olympic Organizing Committee for the 1984 Games, was considered the front-runner.

This will be Disney's second foray into big-time professional team sports. It bought an National Hockey League expansion franchise in 1992, and named the team the Mighty Ducks, after a Disney movie. A more recent Disney movie, "Angels in the Outfield," featured the California Angels.

The Disney touch applied to professional hockey has meant an emphasis on entertainment beyond the game itself, and will be extended to the baseball team.

"We will create a number of concepts to develop synergies between the Angels and various Disney entities, including Disneyland and the Mighty Ducks," said the Disney announcement. "And we plan to create a total entertainment experience for baseball fans just as we have for hockey fans."

Rockies Fall Short Again

The Associated Press

For Don Baylor, manager of the Colorado Rockies, it was one of those games that you should lose sleep over.

"You knew early it would be a one-run game. You always think about the one run you

NL ROUNDUP

didn't get. We came up 90 feet short tonight," Baylor said Thursday night after the Atlanta Braves won, 3-2.

Javier Lopez's fourth homer of the season, a 446-foot shot with a man on that landed deep in the seats in left-center in the seventh inning, had provided the margin of victory.

But the Rockies, who dropped three of four games in Atlanta, narrowly missed winning this one in the ninth.

"They tried to give it to us. We wouldn't take it. They tried every way they could," Baylor said.

With two outs and Colorado runners at first and second, Pedro Borbon balked both ahead a base. Borbon then threw what could have been a disastrous pitch to Larry Walker, whose long drive was caught by Mike Kelly at the left field wall.

Pirates 7, Dodgers 6: Nelson Liriano got his first four RBIs of the season and pinch-hitter Rich Aude hit a tie-breaking two-run homer with two outs in the sixth to give Pittsburgh its victory in Los Angeles.

Mets 8, Astros 1: Jeff Kent and Todd Hundley each drove in two runs in the first inning in Houston and Bobby Bonilla hit his fifth homer as New York beat Doug Drabek for the first time in nearly three years.

Cardinals 4, Giants 2: Bernard Gilkey's RBI double in the 10th, followed by Ray Lankford's sacrifice fly, gave St. Louis a victory in San Francisco.

Barry Bonds homered for the second straight game and Matt Williams had three singles for the Giants.

SCOREBOARD

Major League Standings

AMERICAN LEAGUE

East Division	W	L	Pct.	GB
Boston	14	5	.737	—
New York	10	8	.556	3½
Toronto	9	11	.450	5½
Baltimore	8	11	.421	6
Detroit	8	12	.400	6½
Central Division				
Cleveland	12	6	.667	—
Milwaukee	10	10	.500	3
Kansas City	9	10	.474	3½
Chicago	8	11	.421	4½
Minnesota	7	14	.333	6½
West Division				
California	12	9	.571	—
Seattle	10	9	.526	1
Texas	11	11	.500	1½
Oakland	10	11	.476	2

NATIONAL LEAGUE

East Division	W	L	Pct.	GB
Philadelphia	15	5	.750	—
Montreal	12	9	.571	3½
Atlanta	11	10	.524	4½
New York	9	12	.429	6½
Florida	5	15	.250	10
Central Division				
Chicago	12	7	.632	—
Houston	10	10	.500	2½
Cincinnati	9	10	.474	3
St. Louis	10	12	.455	3½
Pittsburgh	7	13	.350	5½
West Division				
Colorado	13	8	.619	—
San Francisco	11	11	.500	2½
Los Angeles	10	11	.476	3
San Diego	10	11	.476	3

Thursday's Line Scores

AMERICAN LEAGUE

California 017 020 221—15 16 1
Minnesota 001 007 001— 9 14 0
Boskie, Williams (6), Edenfield (6), Percival (6), Patterson (9) and Allanson; Mahomes, Schullstrom (3), Guardado (5), Sanford (7) and Merullo. W—Boskie, 3-0. L—Mahomes, 0-3. HRs—California, Phillips (4), Owen (1), Allanson 2 (2). Minnesota, Munoz 2 (4), Cordova (6).

Cleveland 000 002 100—3 10 2
Boston 200 001 01x—4 10 1
Martinez, Poole (8), Plunk (8) and Pena; Eshelman, Pierce (7), Lilliquist (7), Belinda (7) and Macfarlane. W—Belinda, 2-0. L—Poole, 1-2. HR—Boston, Macfarlane (6).

Detroit 101 000 000—2 4 1
Baltimore 002 001 00x—3 6 0
Wells and Flaherty, Tingley (8); Mussina, Benitez (8), Orosco (8), Jones (9) and Hoiles. Nakes (9). W—Mussina, 3-1. L—Wells, 1-3. Sv—Jones (3). HRs—Detroit, Curtis (3), Higginson (4).

Milwaukee 010 100 000—2 6 0
Texas 100 000 16x—6 13 0
Miranda, Lloyd (7), Kieler (8) and Oliver; Pavlik, Russell (9) and Rodriguez. W—Pavlik, 3-1. L—Lloyd, 0-3. HRs—Texas, Voigt (1), Greer (2).

Oakland 000 000 01—2 6 3
Chicago 000 200 0x—4 10 0
Stewart, Reyes (8) and Steinbach; Fernandez, Hernandez (9) and LaValliere. W—Fernandez, 2-2. L—Stewart, 2-3. Sv—Hernandez (5). HRs—Oakland, Berroa (8), McGwire (9). Chicago, Devereaux (2).

Seattle 010 100 000 000 00—2 7 3
Kansas City 000 100 100 000 01—3 16 0
(14 innings)
Basio, Guetterman (6), Cormona (6), Nelson (10), Ayala (12), Converse (14) and Kreuter; Appier, Meacham (10), Montgomery (11), Brewer (13) and Mayne. W—Brewer, 1-1. L—Converse, 0-1. HRs—Seattle, T.Martinez (3). Kansas City, Nunnally (2), Goetti (4).

NATIONAL LEAGUE

St. Louis 000 101 000 2—4 7 0
San Francisco 101 000 000 0—2 8 2
(10 innings)
Frascatore, Parrett (7), Fossas (8), Aracha (8), Henke (10) and Sheetter; Bautista, Dewey (7), Borbo (8), Frey (10), Mintz (10) and Manwaring. W—Aracha, 3-1. L—Frey, 0-1. Sv—Henke (7). HRs—St. Louis, Zelle (4), San Francisco, Bonds (4).

Colorado 100 000 010—2 11 0
Atlanta 000 001 20x—3 8 2
Freeman, Munoz (7), S.Reed (7), Leskanic (8) and Girardi; Glavine, McMichael (7), Wohlers (8), Borbon (9) and Lopez. W—McMichael, 3-0. L—Munoz, 0-1. Sv—Borbon (2). HRs—Colorado, Walker (6). Atlanta, Lopez (4).

New York 400 103 000—8 10 2
Houston 100 000 000—1 6 0
Mlicki, Manzanillo (8) and Hundley; Drabek, Dougherty (5), Hartgraves (8) and Servais. W—Mlicki, 2-0. L—Drabek, 1-3. HR—New York, Bonilla (5).

Pittsburgh 140 002 000—7 13 0
Los Angeles 000 500 001—6 13 0
Loaiza, Dyer (4), Christiansen (5), McCurry (6), Plesac (7), Golt (8) and Encarnacion; Astacio, Hansell (5), Osuna (6), T.Williams (6), Searcy (7), Worrell (9) and Hernandez. W—Christiansen, 1-0. L—T.Williams, 2-2. Sv—Golt (3). HRs—Pittsburgh, Liriano (1), Aude (1). Los Angeles, Karros (3), Ashley (3).

Japanese Leagues

Central League

	W	L	T	Pct.	GB
Yakult	22	11	0	.667	—
Hiroshima	18	13	0	.581	3
Yokohama	15	15	0	.500	5½
Yomiuri	14	17	0	.452	7
Chunichi	11	16	0	.407	8
Hanshin	12	20	0	.375	9½

Friday's Results
Yakult 2, Yokohama 1
Hiroshima 3, Hanshin 1

Pacific League

	W	L	T	Pct.	GB
Seibu	21	11	2	.656	—
Orix	16	13	0	.552	3½
Daiei	20	17	0	.541	3½
Kintetsu	16	19	0	.457	6½
Nippon Ham	16	21	1	.432	7½
Lotte	13	21	1	.382	9

Friday's Results
Seibu 6, Kintetsu 1
Daiei 4, Lotte 3, 10 innings
Orix 5, Nippon Ham 2

NBA Playoffs

CONFERENCE SEMIFINALS
Best-of-7
THURSDAY'S RESULTS

Orlando 31 32 22 23—108
Chicago 36 25 22 19—102
Orlando: Grant 2-8 2-2 6, Scott 7-15 3-4 21, O'Neal 11-21 5-8 27, Anderson 6-13 2-2 18, Hardaway 6-13 5-5 21, Rollins 0-0 0-0, Shaw 1-3 2-2 4, Bowie 4-4 1-1 9, Royal 0-1 0-0 0, Turner 1-1 0-0 2. Totals 38-79 20-24 102.
Chicago: Pippen 8-15 9-12 26, Kukoc 5-10 4-5 15, Longley 3-8 0-0 6, Armstrong 6-11 0-0 14, Jordan 8-19 7-10 24, Harper 4-9 0-0 8, Kerr 1-2 0-0 2, Perdue 2-2 0-0 4, Buechler 0-2 1-2 1, Wennington 1-1 0-0 2, Myers 0-0 0-0. Totals 38-79 21-29 102.
3-Point goals—Orlando 12-24 (Anderson 4-6, Hardaway 4-8, Scott 4-9, Shaw 0-1), Chicago 5-14 (Armstrong 2-5, Jordan 1-2, Kukoc 1-3, Pippen 1-3, Harper 0-1). Fouled out—None. Rebounds—Orlando 43 (O'Neal 13), Chicago 51 (Pippen 12). Assists—Orlando 20 (Hardaway 7), Chicago 27 (Jordan 7). Total fouls—Orlando 20, Chicago 21. Technical—Pippen. Flagrant foul—Hardaway.

Phoenix 30 28 26 19—103
Houston 33 22 32 29—116
Phoenix: Barkley 12-22 8-10 34, Green 7-7 6-6 18, Kleine 5-10 0-0 10, Johnson 5-15 4-8 14, Person 6-10 0-0 15, Perry 2-4 0-0 4, Tisdale 5-6 1-1 7, Schayes 0-4 0-0 0, Majerle 4-11 0-0 9, Aimge 0-1 0-0 0. Totals 39-90 19-25 103.
Houston: Chilcutt 4-5 0-0 9, Harry 3-6 4-4 12, Olajuwon 13-22 4-4 30, Drexler 8-17 4-6 20, Smith 4-6 0-0 10, Brown 3-5 2-3 8, Ellis 4-8 0-0 11, Cassell 6-11 0-0 16. Totals 45-80 14-17 116.
3-Point goals—Phoenix 6-19 (Person 3-5, Barkley 2-5, Majerle 1-5, Schayes 0-1, Johnson 0-3), Houston 12-25 (Cassell 4-7, Ellis 3-4, Harry 2-2, Smith 2-3, Chilcutt 1-2, Olajuwon 0-1, Drexler 0-6). Fouled out—None. Rebounds—Phoenix 49 (Barkley 14), Houston 46 (Olajuwon, Drexler 8). Assists—Phoenix 23 (Johnson 10), Houston 28 (Olajuwon 10). Total fouls—Phoenix 21, Houston 20. Technical—Houston illegal defense.

San Antonio 24 23 32 21—100
L.A. Lakers 18 26 24 20— 88
San Antonio: Elliott 9-18 4-5 26, Rodman 6-8 0-0 12, Robinson 10-19 11-12 31, Del Negro 3-10 0-1 6, Johnson 5-9 3-3 13, Person 1-7 0-0 2, Reid 4-6 0-0 8, Rivers 1-4 0-0 2, Cummings 0-1 0-0 0. Totals 39-82 18-21 100.
L.A. Lakers: Campbell 10-19 1-2 21, Ceballos 4-8 6-6 16, Divac 6-14 1-2 13, Peeler 7-19 0-4, Van Exel 2-13 4-10 13, Bowie 1-2 0-0 2, Jones 3-10 0-0 7, Lynch 3-5 2-2 9, Smith 1-7 0-0 3, Harvey 0-0 0-0, Miller 0-0 0-0 0. Totals 32-78 19-22 88.
3-Point goals—San Antonio 6-11 (Elliott 4-7, Del Negro 0-1, Person 0-3), Los Angeles 5-14 (Ceballos 2-4, Lynch 1-1, Jones 1-2, Smith 1-2, Peeler 0-1, Van Exel 0-4). Fouled out—Divac. Rebounds—San Antonio 57 (Rodman 16), Los Angeles 38 (Campbell 8). Assists—San Antonio 26 (Johnson 11), Los Angeles 22 (Van Exel 11). Total fouls—San Antonio 24, Los Angeles 19. Technicals—San Antonio illegal defense, Los Angeles illegal defense 4.

NHL Playoffs

CONFERENCE QUARTERFINALS
Best-of-7
THURSDAY'S RESULT

Washington 0 0 0—0
Pittsburgh 2 0 1—3
First Period—1, Pittsburgh, MacIver 1 (Murphy, Jagr), 1:37. 2, Pittsburgh, Francis 3 (Stevens, Jagr), 15:40 (pp). Penalties—Tincroff, Was (high-sticking), 7:36; Hunter, Was (boarding), 15:10; K. Samuelsson, Pit (delay of game), 16:41; Robitaille, Pit (elbowing), 19:58.
Second Period—None. Penalties—Pivonka, Was, major-game misconduct (high-sticking), 4:35; Murray, Pit (goalie interference), 15:14; Hunter, Was (slashing), 16:43.
Third Period—3, Pittsburgh, Murray 2 (Francis), 19:56 (en). Penalties—None.
Shots on goal—Washington 9-13-11—33. Pittsburgh 7-5-6—18. Power-play Opportunities—Washington 0 of 3; Pittsburgh 1 of 4. Goalies—Washington, Carey 2-4 (17 shots-15 saves). Pittsburgh, Wregget 4-2 (33-33).

DUTCH FIRST DIVISION
Ajax Amsterdam 5, Feyenoord Rotterdam 0
ITALIAN FIRST DIVISION
Napoli 1, AC Milan 0

ITALIAN OPEN
In Rome
Singles, Quarterfinals
Sergi Bruguera (8), Spain, def. Jonas Bjorkman (16), Sweden, 6-4, 6-1; Goran Ivanisevic (3), Croatia, def. Jeff Tarango, United States, 7-6 (7-2), 6-4; Thomas Muster (7), Austria, def. Michael Chang (2), United States, 6-3, 6-2.

GERMAN OPEN
In Berlin
Singles, Quarterfinals
Arantxa Sanchez Vicario (1), Spain, def. Kimiko Date (6), Japan, 6-3, 6-0; Natalie Zvereva (7), Belarus, def. Nicole Bradtke, Australia, 7-6 (6-2), 6-2; Irina Spirlea, Romania, def. Petra Begerow, Germany, 6-4, 6-3; Magdalena Maleeva (5), Bulgaria, def. Mary Pierce, France, 7-6 (7-5), 4-6, 6-4.

Giro d'Italia

Results in the seventh stage, 216 kms from Toranto to Terme Luigiane: 1, Maurizio Fondriest, Italy, Lampre, 5 hours, 11 minutes, and 50 seconds; 2, Tony Rominger, Switzerland, Mapei GB, same time; 3, Francesco Casagrande, Italy, Mercatone Uno, s.t.; 4, Piotr Ugrumov, Latvia, Gewiss Ballan, two seconds behind; 5, Francois Simon, France, Castorama, 5 seconds; 6, Claudio Chiappucci, Italy, Carrera, s.t.; 7, Massimiliano Lelli, Italy, Mercatone Uno, s.t.; 8, Davide Rebellin, Italy, Mapelificio MG, s.t.; 9, Evgeny Berzin, Russia, Gewiss Ballan, s.t.; 10, Jens Heppner, Germany, Telekom, s.t.

Standings: 1, Rominger, 29 hours, 13 minutes, and 36 seconds; 2, Fondriest, 47 seconds behind; 3, Casagrande, 1:11; 4, Berzin, 1:28; 5, Ugrumov, 1:33; 6, Rebellin, 1:58; 7, Pavel Tonkov, Russia, Lampre, s.t.; 8, Lelli, 2:02; 9, Wladimir Belli, Italy, Lampre, 2:20; 10, Enrico Zaina, Italy, Carrera, 2:23.

BASEBALL
American League
OAKLAND—Put Mike Gallego, infielder, on 15-day disabled list. Recalled Fausto Cruz, infielder, from Edmonton, PCL.
TEXAS—Agreed to terms with Ivan Rodriguez, catcher, on 1-year contract. Acquired Domingo Jean, pitcher, from Houston for Roger Luce, catcher. Sent Jean to Oklahoma City, AA.
National League
ATLANTA—Optioned Mike Sharperson, infielder, to Richmond, IL. Activated Ryan Klesko, outfielder, from 15-day disabled list.
FLORIDA—Signed Theron Truitt and Kumandoc Miller, outfielders, to minor-league contracts; assigned them to Marlins' minicamp.
HOUSTON—Put Phil Plantier, outfielder, on 15-day disabled list. Sent Roger Luce, catcher, to extended spring training.
SAN DIEGO—Agreed to terms with Andy Ashby, pitcher, on 1-year contract.
SAN FRANCISCO—Assigned Pablo Cordero, infielder; Brian Wallace, shortstop; Mark Gulseth, 1st baseman; and Derek Reid, outfielder, to Burlington, ML. Sent Notorris Bray and Rey Carulo, outfielders, from Burlington to extended spring training. Promoted Todd Wilson, infielder, from Burlington to San Jose, CL. Released Brian Zoletel, outfielder. Reassigned Isbel Cordona, pitcher, from Burlington to extended spring training in Scottsdale, Ariz., and Santos Hernandez, pitcher, from extended spring training to Burlington.
BASKETBALL
National Basketball Association
BOSTON—Fired Chris Ford, coach.
PHOENIX—Waived Richard Dumas, forward.
FOOTBALL
National Football League
ATLANTA—Signed Rob Selby, guard, to 1-year contract.
CHICAGO—Named Charles Garcia national scout.
DETROIT—Signed Tracy Scroggins, defensive end, to multiyear contract.
GREEN BAY—Signed Matt LaBounty, defensive end.
MIAMI—Signed Norman Hand and Corey Swinson, defensive tackles, to 3-year contracts.
N.Y. GIANTS—Released William Roberts, offensive guard.
HOCKEY
National Hockey League
BOSTON—Fired Brian Sutter, coach.
DALLAS—Sent Zac Bayer, right wing, and Travis Richards, defenseman, to Kalamazoo, IHL.
MONTREAL—Sent Mario Roberge, left wing, to Fredericton, AHL. Signed Benoit Brunet, left wing, to 4-year contract.
QUEBEC—Sent Garth Snow, goalie, to Cornwall, AHL. Recalled Landon Wilson, right wing, from Cornwall.
SAN JOSE—Recalled Shean Donovan, right wing, and Vlastimil Kroupa, defenseman, from Kansas City, IHL.
VANCOUVER—Signed Leif Rohlin and Bert Robertsson, defensemen.
COLLEGE
INDEPENDENT ATHLETIC CONFERENCE—St. Joseph's, L.I., has been accepted for membership.
FRESNO ST.—Named Danny Tarkanian, John Welch and Johnny Brown men's assistant basketball coaches.

DENNIS THE MENACE

"IT LOOKS LIKE MY MOM'S LOST AGAIN."

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

LYAID
GEDEH
TULFAY
NARROC

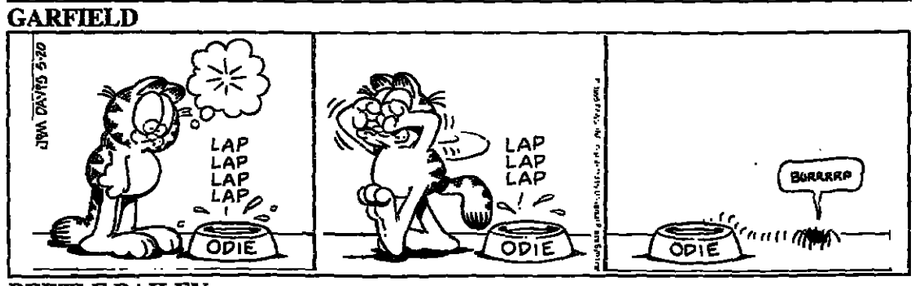
Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: THE "○○○○○" ○○○○○
(Answers Monday)

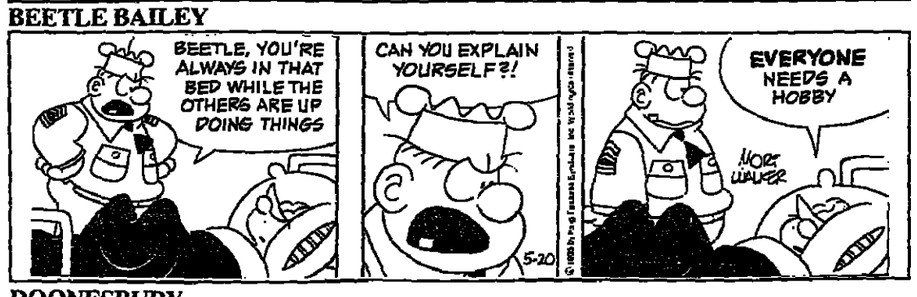
Yesterday's Jumbles: LARVA FRIAR EXTANT AIRWAY
Answer: What a pretty girl can couple during shore leave — NAVAL WARFARE

PEANUTS

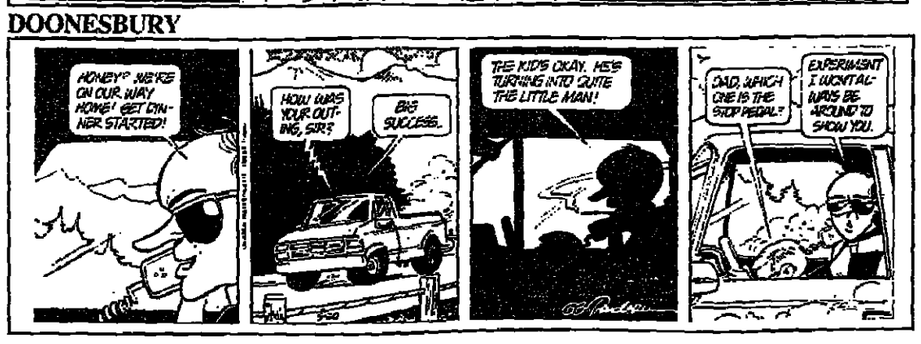
GARFIELD



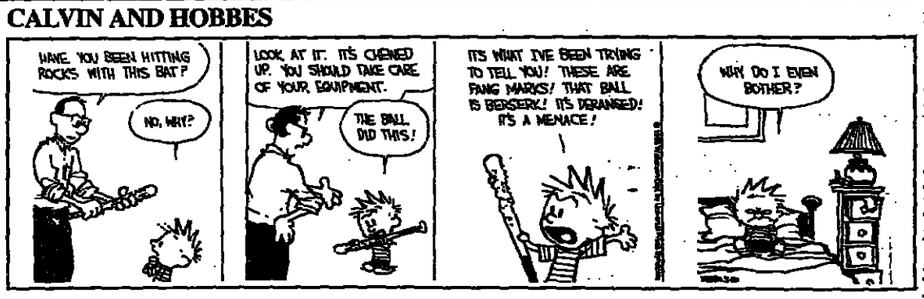
BEETLE BAILEY



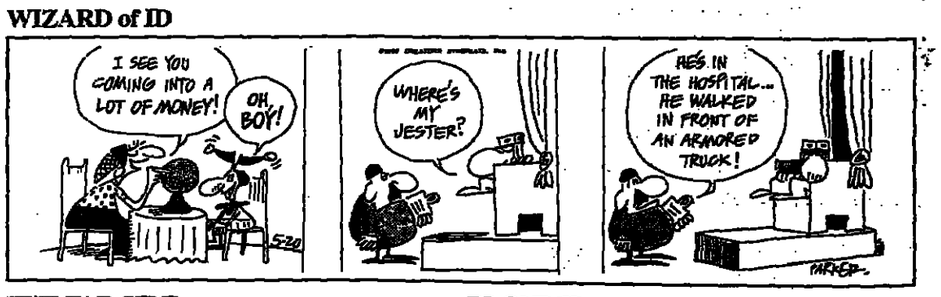
DOONESBURY



CALVIN AND HOBBES



WIZARD of ID



THE FAR SIDE

"Oh, for heaven's sake! Your father left in such a hurry this morning he's lost another antenna."

BLONDIE

Herald Tribune INTERNATIONAL
SPORTS
SATURDAY-SUNDAY, MAY 20-21, 1995

Magic — Poof! — Make Jordan and His Bulls Disappear

By Michael Wilbon
Washington Post Service

CHICAGO — The looks on the faces of the Chicago Bulls said they couldn't believe it.

With just more than three minutes left, they had led by eight points and a Game 7 of their NBA Eastern Conference semifinal appeared inevitable. But the young Orlando Magic stormed back in a way Michael Jordan and the Bulls used to.

They scored the last 14 points of the game while Jordan shot an air ball and made two questionable passes in the final 30 seconds. And that improbable combination of events gave Orlando a 108-102 victory that eliminated the Bulls, 4 games to 2.

It was the first time since 1990, in Game 7 against the then-defending champion Detroit Pistons, that the Bulls with Jordan had walked off the court as losers in a playoff series.

But when Orlando's Shaquille O'Neal dunked home the final two points with just seconds remaining, it served to underscore that the Magic are

NBA PLAYOFFS

younger, stronger, quicker, perhaps smarter and indisputably better. It was their second victory here in the United Center, and the third game in this series in which Jordan was shaky down the stretch.

With 3:24 left, after B.J. Armstrong's 3-pointer put the Bulls up, 102-94, it seemed the series was headed back to Orlando. Instead, the Magic got an offensive rebound basket from O'Neal, a 3-pointer from Nick Anderson and two free throws from Brian Shaw, then a shake-and-bake jumper from Anderson with 42.8 seconds left that put them ahead, 103-102.

Jordan had missed everything with his shot when the Bulls ahead, 102-101, and it had become obvious several minutes earlier that he was exceptionally tired. After Anderson's go-ahead basket, the Bulls called time out.

When play was resumed, Jordan found 7-foot-2 center Luc Longley open under the basket, much the way he passed to Bill Wennington for the game-winning dunk in March at Madison Square Garden, when Jordan torched the Knicks for 55 points. Problem was, Longley not only didn't dunk the ball, he didn't lay it in. He didn't even hit the rim; the ball glanced off the glass, Dennis Scott was fouled and he sank a free throw for a 104-102 Orlando lead with 28.7 seconds left.

"It's very disappointing," Jordan said. "I've got a whole summer to say what if. What if I made the jump shots down the stretch? What if I'd been here a whole season? What if I'd been here last season?"

The Bulls had a chance to tie, but, after another timeout, Jordan found himself double-teamed by O'Neal and Anderson. Again, he tried to hit Longley, but this time the pass was low, around Longley's knees, and he never caught the ball. Orlando recovered, Penny Hardaway made two more free throws, Armstrong missed a 3-pointer, O'Neal finished and the party was on for the Magic.

The franchise that joined the league in 1989 now awaits the winner of the New York Knicks-Indiana Pacers series, which Indiana leads, 3-2, going into Game 6 Friday night in Indianapolis.

Jordan scored 24 points, with 9 assists and 7 rebounds, while Scottie Pippen had 26 points and 12 rebounds for the Bulls.

O'Neal got 27 points and 13 rebounds.

Horace Grant, who didn't play for much of the last quarter after he dislocated his finger and couldn't even hold the ball, got only 6 points and 6 rebounds.

Still, it was Grant whom teammates carried off the court on their shoulders after the buzzer sounded. To a man, the Magic credited him with showing them how to win playoff games, particularly on the road.

"We've had poise since day one, or since Horace Grant came to the team," O'Neal said. "To me, he's the team's MVP. He doesn't have a shoe deal or a rap album. All he does is make shots, grab rebounds."

Asked how he felt, being carried off the court by his new teammates in the city where he helped win three NBA titles, Grant said, "I was looking for Jerry Krause in the stands."

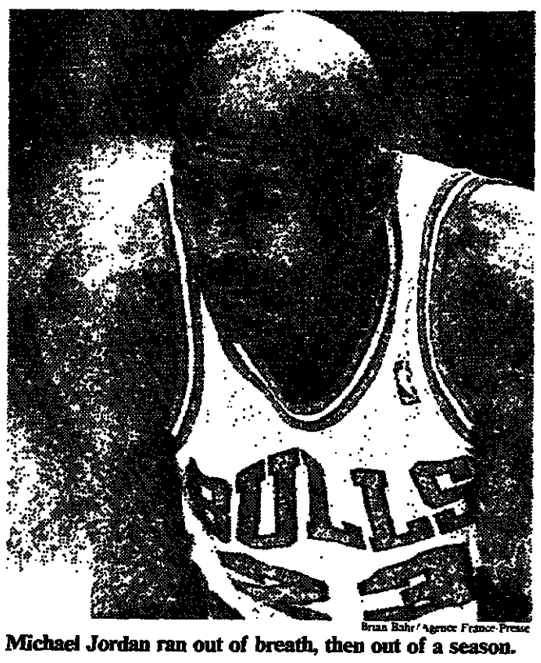
He was referring to the Bulls' general manager, who let free agent Grant get away last summer after seven seasons in Chicago.

The Horace Grant story line obscured the fact that the Bulls also had a difficult time guarding Hardaway (21 points), Anderson and Scott. When all three were in the lineup together, it meant that either Armstrong or Steve Kerr, each 6 feet 2, had to try to guard a man at least three inches taller.

Grant, in his postgame interview, was asked whether Jordan had enough players on his team since coming back March 19 to seriously contend for a championship.

"When you've got Scottie Pippen, Toni Kukoc, B.J. Armstrong ... you've got enough guys to get the job done," he said.

And in his off and on running battle with his former teammate, Grant had had the last word.


Brian Bahr/Agence France-Presse
Michael Jordan ran out of breath, then out of a season.

New Tournament For Rugby Union Set for Next Year

Reuters

CAPE TOWN — South Africa, Australia and New Zealand rugby union officials said Friday that they have agreed to launch a southern hemisphere rival to the Five Nations championship, starting next year.

A format for the competition, as well as a proposed replacement for the Super 10 provincial tournament, was confirmed at a meeting between leading officials on Friday, although few details were announced.

Edward Griffiths, chief executive of the South African Rugby Football Union (SARFU) stressed that the new competitions would fall within the regulations of the International Board, but said commercial discussions were still continuing.

"We're not just sitting back and letting events take their course," said Griffiths. "The message is we have reached an advanced stage."

Full details of the new tournament are likely to be announced before the end of the World Cup on June 24, sources said.

SARFU, the Australian Rugby Union and the New Zealand Rugby Union have agreed to form a company, comprising two directors from each country. David Moffet, executive director of the New South Wales Rugby Union, has been appointed chief executive.

The Super 10 format, comprising provincial sides from the three countries plus either Western Samoa or Tonga, was already up for discussion at the end of a three-year agreement.

Officials refused to say whether the Pacific island countries would be invited to take part in the new competition.


Andrew Freeman-Reuters
Ireland's Nick Popplewell (bottom), the halding Terry Kelpin and Terence Kingston went head-to-head with a scrimmage machine in Johannesburg.

Spurs Gain Final as Rockets Hang On

The Associated Press

Form prevailed as the San Antonio Spurs advanced to the Western Conference final for the first time in 12 years and the Los Angeles Lakers ran out of miracles.

The Spurs, whose 62-20 regular-season record was the best in the NBA, used a 16-2 run late in the third quarter to go ahead for good in beating the host Lakers, 100-88, Thursday night to win the best-of-7 second-round series, 4-2.

David Robinson led the Spurs with 31 points and 15 rebounds. He scored 12 of his team's final 14 points; the Lakers scored only six points during that time, making the game seem more one-sided than it really was.

"We had a very bad attitude in Game 5, but left that attitude in San Antonio and came here to play basketball," said the Spurs' coach, Bob Hill. "I think we were so heavily favored to win, we took this team for granted. That was a big mistake, because they never quit. They just kept coming at us."

Never was that more evident than early in the fourth quarter. The Spurs held a 79-68 lead entering that period, but the Lakers outscored them by 14-5 to draw within two points with 7:23 left. But they would get no closer.

"I think they got a little bit tired," Robinson said. "We made them play catchup the whole game."

Dennis Rodman, back in the starting lineup after a two-game absence, had 12 points and 16 rebounds. The Lakers' center, Vlade Divac, got only three as the Spurs outrebounded the Lakers, 42-28.

Nick Van Exel, who had been largely responsible for keeping the Lakers in the playoffs, got only 13 points although he also had 11 assists.

"I knew before the game that Nick wasn't 100 percent," said the Lakers' coach, Del Harris. "His back was hurting. When he didn't come out shooting, I knew he didn't feel good."

Rockets 116, Suns 103: Hakeem Olajuwon scored 30 points and Houston's sharpshooters scored 15 straight fourth-quarter points on 3-pointers as the Rockets, trying to become the fifth team to recover from a 3-1 deficit, tied their Western Conference semifinal at 3-3, with Game 7 on Saturday in Phoenix.

Trailing by 84-83 with 35 seconds to go in the third quarter, the Rockets went on an 18-5 charge that carried over into the fourth period.

Olajuwon, who had nine points in the last period, then turned the game over to the Rockets' 3-point shooters and they made five in a row.

Mario Elie started off the barrage and later made another, while Sam Cassell also hit two 3-pointers and Robert Horry got one in the burst that kept alive the Rockets' hopes of defending their NBA title.

Charles Barkley, with subpar performances in Games 3 and 5, made his first 10 shots and finished the opening half with 27 points and the Suns held a 58-55 lead. But Barkley took only two shots in the fourth quarter and finished with 34 points.

Rodman: Back With a Bang And a Big Raspberry for All

The Associated Press

INGLEWOOD, California — "The victory tonight was not for me, it was for the other 11 other guys," he said, having initially waved off reporters. "Whatever I did was for them. They live for this stuff, not me. I live for myself and my daughter."

Dennis Rodman, back in the starting lineup for the first time in three games, had lost none of his rebounding ability or bizarre habits.

He got the Spurs off to a strong start, dominating the first period with six points and seven rebounds. He sat down with 1:23 remaining and the Spurs leading, 24-18, then rested, with his shoes off, for much of the second quarter, playing only the final 3:47.

He started the second half and sank a jumper to give the Spurs a 59-57 advantage. He also scored a basket in a 10-0 run that put them ahead, 79-68, heading into the final quarter.

Rodman was held out of the Game 4 victory after not taking take part in a huddle and generally acting as though he wasn't interested. He didn't start but played in Tuesday's game in San Antonio, getting 11 points and 15 rebounds.

As recently as that day, he and the Spurs' coach, Bob Hill, were trading shots in the media. But tempers cooled as quickly as Rodman changes his hair color, although, for this game, he had the same orange top, red-ringed 'do that he had worn previously.

"He's arguably the greatest rebounder in the history of the league," Hill said before tipoff. "Why would you want to trade that?"

Rodman had seven of the Spurs' 14 rebounds in the opening period and added two assists. He often directed traffic on the floor, waving his arms and pointing for his teammates to get in position.

Which did not impress Hill.

"That's cosmetics. We knew what plays we were going to run," the coach said. "It's part of his entertainment package. I don't care that he does that."

Rodman still found time to prove he is unique. Heading to the bench for the first time near the end of the first quarter, he greeted the spectator sitting next to him with a handshake and chatted for about a minute.

During the huddle between periods, Rodman stood shoeless, hands clasped behind his back and watched the Laker Girls perform on the overhead scoreboard before turning to watch them in person.

Midway through the third quarter, the crowd of 17,505 chanted insults at him as he smothered the Lakers' Cedric Ceballos after the two crashed to the floor in pursuit of the ball. Rodman got up smiling, and helped Ceballos up, too.

A minute later, two fans at courtside shouted at Rodman and he came over, bopping one of the men on the head before a teammate chased him away.

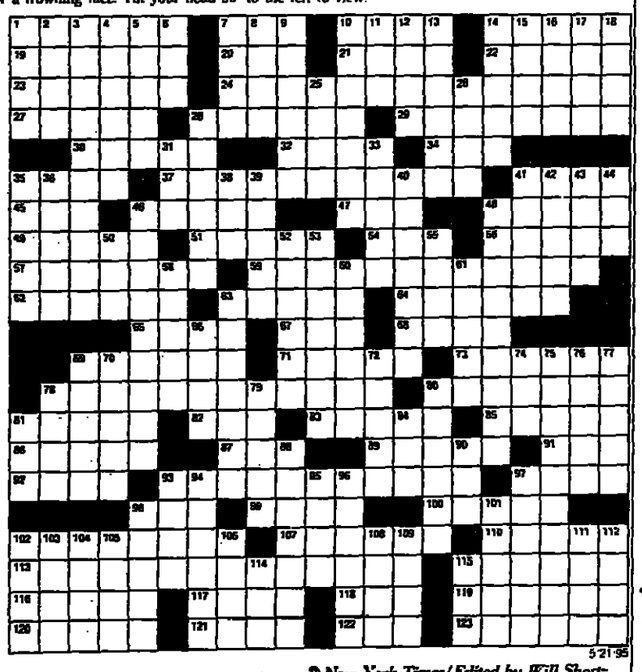
While the rest of the Spurs enjoyed the victory in the locker room, Rodman was off by himself in a hallway. He finally made his way through the room, signed an autograph for a young boy, then disappeared into an adjoining room.

"These moments come and go so often that's why I don't get wrapped up in them and I guess that's why I get wrapped up in myself," he said.


Lee Celano/Reuters
Dennis Rodman: Forever bizarre.

CELEBRITY TYPES By Dean Niles

In E-mail messages, faces are sometimes created by combinations of letters, numbers and punctuation marks, as : - (for a frowning face. Tilt your head 90° to the left to view.



ACROSS

1 Register message
7 Slippery ——
10 Clayey deposit
14 Florentine statue
19 Guyana's —— Indians
20 Kind of flour
21 Jai ——
22 "——, shine; for thy light is come . . .": Isaiah
23 Vietnam seaport
24 ==| : ‡ ||
27 Bone cavities
28 "Indeed!" once
29 Former gold coins of Spain
30 Bye-bye
32 A good deal
34 78-Across's shoe width
35 Short spans
37 8(: o)
41 Battle site of 1944
45 Bud
46 It starts "In the name of Allah . . ."
47 Dada papa
48 Implanted
49 Basra resident: Var.
51 Evidence left behind
54 Kind of neck
56 Drama kudos
57 Certain solvents
59 [9 - }]
62 Mark ——, Oliver of 1968 film
63 Game full of traps
64 Newspaper space
65 —— Lee cheesecake
67 Tank
68 Hideaway
69 Get-together
71 First name in erotica
73 Garlicky dish
78 =‡(: o)}
80 Square-cut cigar
81 Jazz style
82 Sign of a smash
83 Singer Bob Marley, e.g.
85 Cotton thread
86 1919 Edith Day musical
87 Teacher's grp.
89 One of the archangels
91 Hog's thigh
92 Brute
93 [8 - #)""
97 Towel tag
98 Want-ad initials
99 Caboose position
100 Kumiss imbiber
102 Convoke
107 Spoors
110 Author Calvino
113 c[: - =)[
115 Speculator
116 Begrime, in Britain
117 When les étoiles come out
118 Dweller on the Mekong
119 Freshen
120 Slight
121 Preserve, in a way
122 Cry of pain
123 Criminal evidence

DOWN

1 Nothing, in Nogales
2 Port south of Cartagena
3 *=‡ : - }}}
4 Stars and bars, e.g.
5 Hawaiian island
6 Record from the heart: Abbr.
7 Jacob's twin
8 Western livestock peril
9 Eucalyptus, e.g.
10 Literally, "high-souled"
11 —— rigueur (to the fullest extent): Fr.
12 Mover's equipment
13 Symbols of purity
14 Pre-Raphaelite Rossetti
15 Bowed, in music
16 Early stringed instrument
17 —— Royale National Park
18 Studies
25 Call on a yawl
26 Encouraging words from a student
28 Riding whips
31 Comic Phillips
33 Theologian Kierkegaard
35 Fast pitch
36 —— Naval Weapons Station, N.J.
38 Passenger balloon part
39 Hang of it
40 Rises, as water
41 Ferber book
42 Wind around
43 Kind of soup
44 Indulges to the extreme, informally
46 Early TV medium
48 Battery type
50 Kit —— (candy bar brand)
52 Contemporary
53 Wife of Henry II
55 Literary pseudonym
58 Feature
60 Ontario-Quebec border river
61 High-calorie snack
63 Port in 1943 fighting
66 Crowd sounds
69 Dried out
70 —— hole (modern worry)
72 "To wrap up . . ."
74 Christina's father
75 (" -)
76 Kind of extremes
77 Tabloid twosomes
78 North Atlantic sighting
79 —— de Lion
80 Stone memorials
81 Such is a life
84 Chorus sound
88 Old recording disk
90 Prefix meaning "outer"
93 Vast desert
94 Give some slack
95 Beethoven's "—— Quartet"
96 One way to convey information
97 John Wayne film
98 Welsh actor Williams
101 One making rapid strides
102 S&L deposit
103 "Out!"
104 —— vaccine
105 First name in mysteries
106 S.A. country
108 Bye-bye
109 Be close to
111 Riga denizen
112 Assayers assay them
114 With it
115 Twaddle

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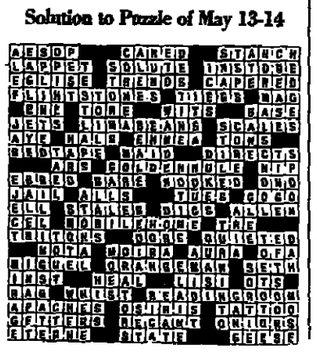
Solution to Puzzle of May 13-14



SIDELINES

Garrido, Mitchell Share Lead, Langer Ties European Mark

MADRID (AP) — Ignacio Garrido, who grew up playing the Club de Campo course, shot a second-round 6-under-par 66 Friday to tie Peter Mitchell of England at 133 for the halfway lead in the Spanish Open.

Bernhard Langer tied European PGA a record by making the cut for the 56th straight time, but was eight strokes back after shooting 70. Neil Coles of England set the record between 1973 and 1979.

For the Record

Jimmy García of Colombia died in Las Vegas, 12 days after collapsing with a brain injury during a featherweight title fight with champion Gabriel Ruelas. *(AP)*

Rick Adelman, whose Portland teams got to the NBA final in 1990 and '92, was hired as the Golden State Warriors' coach. *(AP)*

Stephan Lebeau, the Anaheim Mighty Ducks's center, signed a two-year contract with Lugano in the Swiss League. *(AP)*

Bobby Cox, the Atlanta Braves' manager, agreed to undergo anger alcohol and counseling; criminal charges of striking his wife were delayed until Aug. 25. *(AP)*

(Continued From Page 13)

DAVE BARRY

Solving the Gopher Problem

MIAMI — Before I get to this week's topic, gopher safety, I wish to "set the record straight" regarding three matters:

1. EXPLODING GUAM SNEAKER — Some months ago I discussed an article in the Pacific Daily News concerning a Guamanian boy whose Nike brand sneaker reportedly exploded. This report turns out to be untrue. According to a later Daily News story, sent to me by staffer Mark Cook, the boy admitted that there had been a firecracker in his sneaker, and it was this firecracker, NOT the sneaker, that exploded. I wish to sincerely apologize to the Nike legal department for any bad publicity that my column may have caused, and stress to consumers that Nike brand sneakers do NOT — repeat, do NOT — explode. They merely contain firecrackers that explode. I hope this clears everything up.

2. HUNTING LAW UPDATE — A number of angry sportspersons have written to inform me that, contrary to the impression I may have given in a recent column about hunting, it is NOT legal to drop the frozen carcasses of large animals or Tobacco Institute scientists on hunters from helicopters. If you are doing this, I urge you to stop, or at least send me videotapes.

3. CORRECTION — Several readers have informed me that recently the Nashville Banner, instead of printing my column, printed this announcement:

"Dave Barry, whose humor column normally appears in today's Lifestyles section, is taking the week off."

□

This is not, technically, true. What the Nashville Banner no doubt MEANT to say was: "We are not going to publish Dave Barry's column this week because it concerns a Hong Kong man who demonstrates the benefits of the Daoist philosophy by lifting heavy weights with his private parts, and we feel that the people of Nashville do not need to know about this."

I'm sure the announcement was an innocent mistake. In fact, I urge you to call the Banner and subscribe: if you act today, the Banner will give you, free of charge, a house. Speaking of houses, a question that homeowners as well as professional maintenance personnel are constantly asking is: "What is the correct method for disposing of a gopher?"

The answer is: "Not the method that was attempted recently by maintenance personnel at Fowler Elementary School in Ceres, California." I learned about this incident from a major front-page story in the April 5 Modesto Bee. What happened was, a student found a gopher on the grounds of the school, which has a chronic gopher problem. The gopher wound up in the custody of three custodians, who put it in a bucket in a small, poorly ventilated utility room.

I will give you 300 million guesses as to what they decided to do next.

Wrong.

What they decided to do was freeze the gopher to death by spraying it with a product called (I am not making this up) "Misty Gum Remover." This product is designed to be sprayed on the gum wads that are found on the undersides of all school desks (they are stuck on right at the desk factory). The product freezes the gum, making it easier to chip off. Misty Gum Remover is not specifically designed to send gophers to that Big Hole in the Sky, but the Fowler Elementary custodians had successfully used it for that purpose on more than one occasion.

□

So at this point, we have nothing more than a routine case of three custodians trying to freeze a gopher to death with gum remover — the kind of thing that (ask your kids!) goes on in our nation's schools every day. Then one of the custodians decided to light a cigarette.

You have probably guessed what happened next. That's right: The custodians' Nike brand sneakers exploded. No, seriously, the Misty Gum Remover fumes exploded in a blast that blew the three custodians out of the utility room and injured a total of 19 people. The gopher — I am still not making this up — lived. According to the Bee, it was taken into police custody and released in an empty field, where I imagine it will spend the rest of its days whimpering and gulping down tiny gopher Valiums.

The moral of the story, for both homeowners and maintenance professionals, is that if you must dispose of a gopher, you should use the method recommended by leading authorities such as the Archbishop of Canterbury: namely, mail it, in a secure package, to the Nashville Banner. Do NOT send it to me; I'm taking the week off.

Knight-Ridder Newspapers

In Amsterdam, a Mahler Extravaganza

By David Stevens
International Herald Tribune

AMSTERDAM — For years there has been no shortage of the music of Gustav Mahler in concentrated doses like festivals or cycles, but there has been nothing quite like the 17-day extravaganza put on here by the Concertgebouw, this city's justly famous concert hall.

Virtually all of Mahler's music was heard in 19 concerts, with the major load of the symphonies shared by the resident Royal Concertgebouw and the Berlin Philharmonic and Vienna Philharmonic orchestras, all three closely linked to Mahler's life and music. Bernard Haitink, a leading Mahlerian and a longtime chief conductor of the Concertgebouw, led one concert with each orchestra.

Other music — the songs and relevant works by other composers — were included, and the program was outfitted by exhibitions, a scholarly symposium and other peripheral events.

It was also a festival fraught with anniversaries, and anniversaries within anniversaries, joyful and painful. The span of this Mahler *Feest* included the 50th anniversary of the liberation of the Netherlands, but also the 55th of the German invasion of the country. The final concert came a day before the date of the composer's death, which occurred in Vienna on May 18, 1911.

But mainly, this festival was organized by Martijn Sanders, the Concertgebouw's director, to commemorate the 75th anniversary of the historic Mahler Feest put on here in 1920 by the conductor Willem Mengelberg, then celebrating his own 25th anniversary as principal conductor of the Concertgebouw Orchestra by conducting all the symphonies of a composer whose works he had tirelessly championed since the early years of the century. No Mahlerian world premieres took place here, but the composer conducted several of his symphonies with the orchestra and Mengelberg kept the flame burning.

So Mengelberg was kind of a dark patron saint of this festival. Patron saint because of his establishment of the orchestra's reputation and its Mahler tradition. Dark because of the sad ending to his career after half a century at the head of the orchestra, most of that time as one of the most popular figures in the country. That popularity disappeared almost overnight, mainly because of his almost incredible naïveté allied to a predilection for German artistic ideals.

©Bibliothèque Musicale Gustav Mahler

Silhouettes by Otto Boehler of Mahler conducting the Vienna Opera.

Mengelberg, who was born in Utrecht in 1871 of German parents who had immigrated, was taking the waters in Bad Gastein, near Salzburg, when the Germans invaded the Netherlands. Nonetheless, he then spent several weeks in Germany and gave an interview to the *Völkischer Beobachter*, the Nazi Party mouthpiece, relating how he had celebrated the German invasion with champagne at Bad Gastein.

His attempts to explain this at home did not help matters, nor did photographs such as those showing him chatting amiably with Artur Seyss-Inquart, the Nazi proconsul. He tried to help Jewish musicians, with mixed success, and he was allowed to conduct his beloved Mahler only once more in 1940, before the ban on Jewish composers was enforced.

In the postwar settling of accounts, Mengelberg seems to have been regarded as a propaganda dupe rather than a collaborator. Nonetheless, he was banned from conducting in the Netherlands and his royal decorations were taken away. He died in 1951 in his Swiss chalet.

He is still a controversial figure here, and his musical importance makes his posthumous presence inevitable. It is not so much a rehabilitation as a recognition of his artistic importance in spite of everything.

The Mengelberg archives are now at the Gemeentemuseum in The Hague, which put on a fascinating exhibition (through June 25) that does not gloss over the unhappy last years. Most touching is a 1947 letter from Alma Mahler (by then also the widow of Franz Werfel): "Please let me now how you are — how you live — whether you have friends, whether you are halfway happy ..."

Other exhibitions are one of Mahler musical manuscripts, also in The Hague (to June 18), "Mahler in Amsterdam" at the Gemeentearchief in Amsterdam (to June 11), and an exhibition of early and later Expressionist art in the Stedelijk Museum of Amsterdam (to July 2), in which works by Kokoschka and Kirchner have a certain period relevance. During the program, the foyer of the Concertgebouw was filled with what seemed to be every photograph of Mahler ever taken. They were from the collection of Gilbert Kaplan and also available in book form.

Other publications appearing because of or in conjunction with the festival are a monumental program book, edited by Donald Mitchell, and a reproduction of the manuscript of the Seventh Symphony, which is in the archives of the Concertgebouw. And the much-delayed second volume of the English version of Henry-Louis de La Grange's colossal Mahler biography was also much in view.

Opposite the Concertgebouw building, a big tent was the venue for a variety of events, free to the public or at nominal cost, including the direct transmission of all the concerts on a huge screen and with excellent recorded sound.

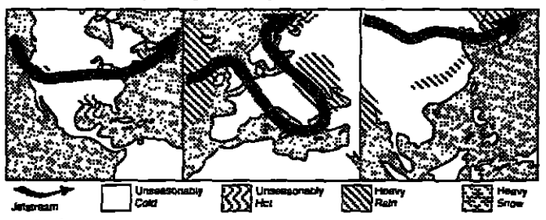
But the music is the thing, and the final concerts lived up to the occasion. Although the general layout was chronological, the finale was reserved for the vast Eighth Symphony, called the "Symphony of a Thousand" because the Munich world premiere had more than a thousand instrumental and choral performers, most performances, like the one here, make do with less than half of that.

But the Concertgebouw and various choral ensembles under the orchestra's current music director, Riccardo Chailly, gave an eloquent and exciting account of the composer's marriage of the creative spirit to the power of love.

Also fascinating was the concert by the BBC National Orchestra of Wales under Mark Wigglesworth, which included Deryck Cooke's performing realization of the material Mahler left for his Tenth Symphony. Ventures of this kind are always debatable, but this was surely worth including, if only because of the final movement, affirmative in tone despite the premonitions of death and a troubled marriage at the time it was written. Even with posthumous assistance, it was Mahler's last word, and when the last note sounded, it was followed by an eloquent 10 seconds or so of total silence.

WEATHER

Forecast for Sunday through Tuesday, as provided by Accu-Weather.



North America

Warm weather in the Northeast on Sunday may give rise to spotty thunderstorms. Monday and Tuesday will be dry and mild. Chicago and Toronto will have dry weather Sunday and Monday, then maybe showers Tuesday. Another wet weather system will arrive along the West Coast.

Europe

England and France will have generally dry weather with a gradual warming trend. Stormy Atlantic weather may reach from Ireland to northwest Spain by Tuesday. Italy may have showers on Sunday, then will be dry afterwards. Rain will continue in the eastern countries.

Asia

Showers and thunderstorms will soak northern Japan, with less rain in southern regions. Korea will be quite warm with showers on Tuesday. Beijing will have a few showers early next week. Hong Kong and Singapore will be humid with a couple of thundershowers.

Europe

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Algarve	25/77	17/62	s	25/77	18/61	pc
Amsterdam	11/52	4/39	sh	13/55	3/37	pc
Ankara	24/75	12/53	pc	27/80	12/53	t
Athens	25/77	17/62	s	26/79	18/61	pc
Barcelona	21/70	13/55	pc	23/73	15/59	pc
Belgrade	22/71	10/50	t	21/70	8/46	pc
Berlin	14/57	2/35	pc	14/57	3/37	pc
Brussels	13/55	5/41	pc	13/55	5/41	pc
Budapest	18/64	11/52	r	17/62	8/46	sh
Copenhagen	11/52	1/34	c	13/55	5/41	pc
Costa Del Sol	26/79	18/64	pc	26/79	18/64	pc
Dublin	14/57	8/46	c	15/59	6/43	pc
Edinburgh	12/53	8/46	pc	12/53	7/44	pc
Florence	18/64	8/46	pc	21/70	9/48	pc
Frankfurt	14/57	5/41	pc	16/61	7/44	s
Geneva	18/61	6/43	c	17/62	7/44	pc
Helsinki	15/59	9/48	sh	18/64	10/50	sh
Istanbul	22/71	13/55	sh	23/73	13/55	pc
Las Palmas	26/79	18/66	s	26/79	19/66	pc
Lisbon	23/73	17/62	s	23/73	15/59	pc
London	16/61	8/46	pc	16/61	10/50	pc
Madrid	24/75	12/53	pc	27/80	12/53	pc
Milan	19/66	8/46	c	19/66	9/48	pc
Moscow	23/73	14/57	c	25/77	14/57	pc
Munich	14/57	3/37	c	13/55	3/37	pc
Nice	18/64	10/50	pc	20/68	12/53	pc
Oslo	11/52	2/35	sh	16/61	6/43	pc
Paris	20/68	14/57	pc	22/71	16/61	pc
Paris	16/61	7/44	pc	18/64	9/48	s
Prague	17/62	6/43	pc	15/59	4/39	pc
Reykjavik	11/52	5/41	c	11/52	5/41	c
Rome	18/64	8/46	pc	23/73	12/53	pc
St. Petersburg	19/66	11/52	t	23/73	12/53	sh
Stockholm	14/57	6/43	pc	17/62	8/46	s
Strasbourg	16/61	3/37	c	14/57	3/37	pc
Tallinn	16/61	11/52	sh	18/64	11/52	sh
Venice	18/64	11/52	sh	19/66	11/52	pc
Vienna	16/61	8/46	sh	16/61	6/43	pc
Warsaw	16/61	7/44	sh	18/64	7/44	pc
Zurich	16/61	4/39	c	15/59	4/39	pc

Oceania

Auckland	18/64	12/53	pc	18/64	12/53	pc
Sydney	22/71	13/55	pc	23/73	14/57	s

Asia

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Bangkok	36/97	26/79	pc	35/95	26/79	pc
Beijing	22/71	13/55	s	28/82	14/57	pc
Hong Kong	31/88	26/79	t	30/86	24/75	t
Manila	34/93	29/79	pc	33/91	25/77	pc
New Delhi	40/104	29/84	s	39/102	28/82	pc
Seoul	20/68	12/53	sh	24/75	12/53	pc
Shanghai	22/71	19/66	r	27/80	19/66	pc
Singapore	33/91	24/75	t	33/91	24/75	t
Taipei	31/88	23/73	pc	32/89	23/73	pc
Tokyo	25/77	19/66	pc	24/75	17/62	sh

Latin America

Buenos Aires	21/70	11/52	pc	20/68	11/52	pc
Caracas	30/86	17/62	pc	29/84	17/62	pc
Lima	21/70	17/62	pc	22/71	17/62	pc
Mexico City	30/86	16/61	pc	30/86	14/57	t
Rio de Janeiro	24/75	18/64	pc	23/73	17/62	pc
Santiago	20/68	6/43	pc	18/64	6/43	pc

North America

Anchorage	17/62	6/43	pc	16/61	6/43	pc
Atlanta	28/82	14/57	s	28/82	17/62	pc
Boston	25/77	14/57	s	21/70	12/53	pc
Chicago	23/73	9/48	pc	19/66	9/48	pc
Denver	22/71	8/46	t	19/66	6/43	pc
Detroit	23/73	9/48	pc	20/68	10/50	pc
Honolulu	29/84	23/73	pc	29/84	22/71	pc
Houston	31/88	18/64	s	31/88	21/70	pc
Los Angeles	24/75	13/55	pc	26/79	13/55	pc
Miami	32/89	23/73	pc	32/89	24/75	sh
Minneapolis	17/62	5/41	s	18/64	7/44	pc
Montreal	19/66	8/46	pc	19/66	8/46	sh
Nassau	32/89	23/73	pc	31/88	23/73	pc
New York	27/80	13/55	s	24/75	14/57	pc
Phoenix	37/98	23/73	s	38/100	22/71	s
San Fran.	20/68	11/52	pc	19/66	11/52	pc
Seattle	23/73	8/46	s	24/75	9/48	s
Toronto	21/70	9/48	pc	20/68	9/48	sh
Washington	27/80	13/55	s	27/80	14/57	pc

Middle East

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Abu Dhabi	39/102	28/79	s	36/97	24/75	pc
Beirut	29/82	20/68	s	29/84	21/70	pc
Cairo	36/97	20/68	s	37/98	22/71	pc
Damascus	31/88	16/61	s	33/91	18/64	pc
Jerusalem	27/80	17/62	s	29/84	18/64	pc
Luxor	43/109	21/70	s	43/109	23/73	pc
Riyadh	40/104	24/75	pc	42/107	23/73	s

Africa

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Algiers	22/71	15/59	s	28/79	18/64	pc
Cape Town	18/64	9/48	pc	20/68	11/52	pc
Casablanca	27/80	17/62	s	28/79	18/61	pc
Harare	23/73	12/53	t	27/80	12/53	pc
Lagos	32/89	26/79	pc	32/89	26/79	pc
Nairobi	21/70	13/55	sh	23/73	13/55	pc
Tunis	24/75	12/53	s	27/80	16/61	pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, f-fog, W-Weather. All maps, forecasts and data provided by Accu-Weather, Inc. © 1995

PEOPLE

Big spender: **Jane Pauley** said she was as surprised as anyone else when she shot her hand up at an auction to bid for a cartoon — by her husband, **Garry Trudeau**. The auction was a benefit for the Reporters Committee for Freedom of the Press. Trudeau paid $1,000 for his own work.

□

Nancy Reagan says a new collection of the wit and wisdom of **Ronald Reagan** will bring tears to your eyes. "If you ever want to get the essence of the man, it's there," Mrs. Reagan said as she looked at one of the first copies of "Ronald Reagan: The Wisdom and Humor of the Great Communicator." The book, due out on May 30, was put together by **Frederick J. Ryan Jr.**, an aide to Reagan after he left the White House. Reagan said in November that he has Alzheimer's disease.

□

Bessie Delany, 103, and **Sadie Delany**, 105, the sisters whose long memories and snappy thoughts are the story of "Having Our Say," this week finally got to see how their lives play on Broadway. It took a while: both of them broke their hips last year. But with two dozen relatives in tow and some help from **Amy Hill Hearth**, the co-author of their biography, the sisters caught the matinee. The producers didn't tell the audience, but it didn't take long for anyone to realize who the women in the box tier were. At intermission, they got a standing ovation.

□

Thanks, **Liberace**, **Siegfried and Roy** couldn't have done it without you. The illusionists say the flashy pianist encouraged them when they were trying to crack the tough Las Vegas entertainment scene 25 years ago. "We were nobodys, but he treated us as equals," Siegfried said. "He told us, 'Never take your audience for granted.'"

□

Finnish architect **Juha Leiviska** won the 1.5 million kroner ($270,000) Carlsberg Architectural Prize, the biggest award in the field. He was chosen among 64 candidates, nominated by architecture magazines worldwide. His structures include churches, libraries and one embassy... The American Society of Journalists and Authors, an association of professional nonfiction writers, gave its award of Author of the Year to **Alan Levy**, editor-in-chief of the Prague Post. Levy was honored for his book "The Wiesenthal File."

Mike Segar/Reuters

Reagan with his book of quotes.